

## **RHODE ISLAND HOUSE COMMITTEE ON JUDICIARY**

### **MEMORANDUM IN OPPOSITION TO H. 6346**

**May 27, 2025**

RMAI is a trade association of over 600 members composed of banks, non-bank lenders, debt buyers, and the companies that support them. These are primarily financial institutions under the Gramm-Leach-Bliley Act (“GLBA”).

Respectfully, RMAI opposes H. 6346.

#### **THE SAFE HARBOR FOR BANKS SHOULD INCLUDE NONBANK FINANCIAL INSTITUTIONS**

Currently, H. 6346 includes a safe harbor for financial institutions, trust companies, credit unions, or affiliates that are “subject to and examined for, and found in compliance with, the Federal Interagency Guidelines on Response Programs for Unauthorized Access to Customer Information and Customer Notice.”<sup>1</sup>

Like banks, nonbank financial institutions are also subject to many of the same federal laws and regulations that provide consumers rights and protections regarding data privacy, security, and breaches.

The GLBA’s Safeguards Rule,<sup>2</sup> requires bank and nonbank financial institutions to implement stringent safeguards protect consumers’ nonpublic personal information.

- The GLBA Privacy Rule<sup>3</sup> addresses consumers’ privacy rights. The Privacy Rule:
  - Requires a financial institution to provide notice to customers about its privacy policies and practices;
  - Describes when a financial institution may disclose nonpublic personal information about consumers to nonaffiliated third parties; and
  - Provides a method for consumers to opt out of such sharing.<sup>4</sup>
- The GLBA Safeguards Rule,<sup>5</sup> as the name implies, requires financial institutions to implement safeguards sufficient to protect consumers’ nonpublic personal information and to report data breaches, i.e., “acquisition of unencrypted customer information without the authorization of the individual to which the information pertains.”

---

<sup>1</sup> H. 6346, page 7, lines 25-28.

<sup>2</sup> 16 C.F.R. § 314.1, *et seq.*

<sup>3</sup> 16 C.F.R. § 313.1, *et seq.*

<sup>4</sup> 16 C.F.R. § 313.1(a).

<sup>5</sup> 16 C.F.R. § 314.1, *et seq.*

- Section 1033 of the Dodd-Frank Act<sup>6</sup> requires that financial institutions provide consumers with access to their information relating to financial products or services that have been provided.

Because of this high level of existing consumer protection and the potential for conflict between the provisions of H. 6346 and federal law, RMAI recommends the following amendment on page 7, beginning line 25:

b) A financial institution, ~~trust company, credit union, or its affiliates that is subject to and examined for, and found in compliance with, the Federal Interagency Guidelines on Response Programs for Unauthorized Access to Customer Information and Customer Notice~~ or an affiliate of a financial institution subject to Title V of the federal Gramm-Leach-Bliley Act, 15 U.S.C. § 6801 et seq., and the rules and implementing regulations promulgated thereunder, shall be deemed in compliance with this chapter.: . . .

Thank you, and please let us know if we can be of assistance or answer any questions.

David Reid  
General Counsel  
Receivables Management Association  
International  
1050 Fulton Avenue, Suite 120  
Sacramento, CA 95825  
916-779-2492  
[dreid@rmaintl.org](mailto:dreid@rmaintl.org)

Eric Rosenkoetter  
Outside Counsel, CIPP-US  
Maurice Wutscher LLP  
13785 Research Blvd., Suite 125  
Austin, TX 78750  
512-672-7068  
[erosenkoetter@mauricewutscher.com](mailto:erosenkoetter@mauricewutscher.com)



---

<sup>6</sup> 12 U.S.C. § 5533.