

Mr. HOLDING. Madam Speaker, this week, the Senate is expected to unveil its first budget plan in nearly 4 years. It relies on the failed policy of raising taxes and increasing Federal spending and will not put into place a requirement for the government to balance its budget. How can this be taken seriously?

When our national debt is over \$16 trillion, how does spending more and increasing taxes make any sense? Why not simply stop spending money—money the government doesn't have to spend in the first place—on frivolous programs, for example, the \$2.2 billion spent last year on a program that hands out free cell phones or the \$17.6 million paid to PR firms to promote ObamaCare or the \$1.7 billion spent in 2010 on “operating costs” for the Federal buildings, Federal buildings that are no longer even in use? Madam Speaker, the list goes on.

We must make spending cuts and commonsense reforms. We need a budget that is reflective of growing our economy, not one that continues to grow our government.

#### WASHINGTON DYSFUNCTION

(Mr. MULLIN asked and was given permission to address the House for 1 minute.)

Mr. MULLIN. Oklahomans are ready for Washington dysfunction to stop and for this country to get back on stable fiscal footing. We must make commonsense cuts to Federal spending that do not threaten public safety, national defense, or our economy.

There is plenty of waste that can be trimmed from the Federal budget. For instance, the free cell phone program that has angered a number of people across Oklahoma, including myself, will cost the Federal Government \$2.2 billion this year alone, or the improper payments of \$115 billion made by the Federal Government to people who were not entitled to receive those payments or who had not provided the proper documentation to qualify for the payments. This one item alone would more than replace sequestration.

Clearly, Federal spending is out of control, and it is not difficult to find ways to cut. But that will require strong leaders who are willing to look past the next election, put party aside and put country first.

#### COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, March 12, 2013.

Hon. JOHN A. BOEHNER,  
The Speaker, House of Representatives,  
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of

the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on March 12, 2013 at 10:00 a.m.:

That the Senate passed S. 166  
That the Senate agreed to without amendment H. Con. Res. 14

That the Senate agreed to without amendment H. Con. Res. 20

Appointments:  
Senate National Security Working Group.  
Advisory Committee on the Records of Congress.

With best wishes, I am

Sincerely,

KAREN L. HAAS.

#### CONTINUATION OF THE NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 113-15)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and referred to the Committee on Foreign Affairs and ordered to be printed:

#### To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, within 90 days prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent to the *Federal Register* for publication the enclosed notice stating that the national emergency with respect to Iran that was declared on March 15, 1995, is to continue in effect beyond March 15, 2013.

The crisis between the United States and Iran resulting from the actions and policies of the Government of Iran has not been resolved. The actions and policies of the Government of Iran are contrary to the interests of the United States in the region and continue to pose an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. For these reasons, I have determined that it is necessary to continue the national emergency declared with respect to Iran and to maintain in force comprehensive sanctions against Iran to deal with this threat.

BARACK OBAMA.

THE WHITE HOUSE, March 12, 2013.

#### RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until approximately 5 p.m. today.

Accordingly (at 2 o'clock and 17 minutes p.m.), the House stood in recess.

□ 1701

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro

tempore (Mr. STUTZMAN) at 5 o'clock and 1 minute p.m.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

Record votes on postponed questions will be taken later.

#### ELIMINATE PRIVACY NOTICE CONFUSION ACT

Mr. LUETKEMEYER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 749) to amend the Gramm-Leach-Bliley Act to provide an exception to the annual privacy notice requirement.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 749

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the “Eliminate Privacy Notice Confusion Act”.

#### SEC. 2. EXCEPTION TO ANNUAL PRIVACY NOTICE REQUIREMENT UNDER THE GRAMM-LEACH-BLILEY ACT.

Section 503 of the Gramm-Leach-Bliley Act (15 U.S.C. 6803) is amended by adding at the end the following:

“(f) EXCEPTION TO ANNUAL NOTICE REQUIREMENT.—A financial institution that—

“(1) provides nonpublic personal information only in accordance with the provisions of subsection (b)(2) or (e) of section 502 or regulations prescribed under section 504(b), and

“(2) has not changed its policies and practices with regard to disclosing nonpublic personal information from the policies and practices that were disclosed in the most recent disclosure sent to consumers in accordance with this section, shall not be required to provide an annual disclosure under this section until such time as the financial institution fails to comply with any criteria described in paragraph (1) or (2).”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Missouri (Mr. LUETKEMEYER) and the gentleman from California (Mr. SHERMAN) each will control 20 minutes.

The Chair recognizes the gentleman from Missouri.

#### GENERAL LEAVE

Mr. LUETKEMEYER. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks and submit extraneous materials for the RECORD on H.R. 749.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. LUETKEMEYER. Mr. Speaker, I yield myself as much time as I may consume.

I rise today in strong support of H.R. 749, the Eliminate Privacy Notice Confusion Act.

Businesses in America are drowning in a sea of red tape, and the never-ending regulatory onslaught threatens financial institutions' ability to lend to consumers. One banker that testified before the Financial Services Committee last year said that, as a senior executive, he currently spends as much as 80 percent of his time working on compliance-related issues, compared to approximately 20 percent as little as 3 years ago. As he said in that hearing:

Every dollar spent on compliance is a dollar less that we have to lend and invest in the communities we serve. Every hour I spend on compliance is an hour I could be spending with customers and potential customers, acquiring new deposits and making new loans.

In the Financial Services Committee, we have heard from countless bankers and credit unions that the costs associated with complying with rules and regulations are ballooning rapidly and diminishing financial institutions' ability to lend, forcing them to raise the fees they charge their customers for basic services. The costs stemming from red tape vary, from managerial expenses for monitoring employees' compliance, to printing and postage expenses to provide written disclosures to customers.

This bipartisan bill will help reduce compliance burdens and confusion among consumers. Federal law currently requires financial institutions to issue disclosure notices to consumers that detail the institution's privacy policies if it shares customers' nonpublic personal information, as well as the customer's right to opt out of sharing this information. These disclosures must be issued when a customer relationship is first established and annually in paper form, even if no policy changes have occurred. My bill would require institutions to provide these notices only if they have changed a policy or practice related to the privacy of the consumer.

This may seem like a simple change, but its impact on financial institutions is significant. Requiring these institutions to send annual notices even when no changes have been made is redundant, unnecessary, and costly.

Mr. Speaker, this bill would permit financial institutions to redirect these resources towards lending, staffing, and lowering the cost of financial services. For consumers, these mailings typically serve to clog up mailboxes and confuse even the best of us. In fact, a recent voter survey conducted by Voter/Consumer Research indicated that fewer than one-quarter of consumers read the privacy notifications they receive, and over three-quarters of consumers would be more likely to read them if they were only sent when a financial institution changed its policies.

This bill will make the mailings more significant to the consumer because they would only come after a change in policy. Let me reiterate: This legislation will only remove the

annual privacy notice requirement if an institution has not, in any way, changed its privacy policies or procedures. This legislation does not exempt any institution from an initial privacy notice, nor does it allow a loophole for an institution to avoid using an updated notice.

This language is not controversial; it does not jeopardize consumer privacy; and it does not exempt any institution from having to produce an initial or amended privacy notice. This legislation does eliminate millions of costly and confusing mailings.

H.R. 749 enjoys broad support within the financial services industry, from credit unions and community services to money center banks; and here in Congress, this bill is one of the few that both Republicans and Democrats can agree on. In fact, previous versions of this bill passed on voice vote in both the 111th and 112th Congresses, with the most recent vote occurring just before this past Christmas.

I want to thank the gentleman from California (Mr. SHERMAN) for his work on this bill. He has been tireless; he has been relentless; he has been a huge supporter, and it is a big issue to him and his constituents as well. I also want to thank Chairman HENSARLING and Ranking Member WATERS for helping to ensure swift passage of this legislation.

I urge my colleagues to again voice their support in favor of this bill. H.R. 749 may be short and simple, but it will have a meaningful impact on financial institutions by increasing their resources so they can do what they do best—lend.

Mr. Speaker, I reserve the balance of my time.

Mr. SHERMAN. Mr. Speaker, I yield myself such time as I may consume.

I thank the gentleman from Missouri for his tireless work on this.

We passed this bill in this exact form in the 111th Congress, the 112th Congress, and I think the third time will be the charm. We passed it by voice vote once; we passed it again; and this time we're sending it to the Senate with 22 months left to go, so they have little excuse for not somehow dealing with the bill. And by that, I mean passing the bill.

The bill is now narrowly tailored and is very straightforward. It simply revises disclosure requirements originally passed under the Gramm-Leach-Bliley Act to eliminate a costly and duplicative requirement that all financial institutions mail their customers a copy of their privacy notice each year, even if there has been no change in the policy. Under the bill, the only documents that won't have to be mailed are identical to what has been mailed to the same person at some previous time.

There may have been a time in our country, even a decade ago, where the natural thing was, Let's rummage around and try to find that privacy policy. Now everybody I know is going to go to the Web and look at it on the

day they want to look at it rather than wait for the annual time in which it is mailed to them.

Under the bill, the customer would receive a printed copy of the privacy policy when they become a customer of the financial institution and every time that policy changes. In addition, the privacy policy would be available on the institution's Web site for any customer to look at 24/7, 365.

Mr. Speaker, this is a very minor component of disclosure policy, but every year banks, credit unions, and other financial institutions have to spend millions of dollars to print and send to the same people what they have printed and sent to those people a year before. At best, this is an enormous waste of time, money, and paper. At worst, it causes customers to think there is something new when they are just getting what they got a year ago. It distracts consumers from reading those notices where there has been a change of policy and focuses their attention on something that is duplicative.

□ 1710

This bill makes a simple fix to this problem by requiring the financial institution to provide the privacy notice to their customers when they open the account and each time a change occurs that affects the policy or practice related to the privacy of the customer.

Institutions are still required to post these notices on their Web sites and to provide a toll-free number that customers can call to request a copy of that policy at any time. The bill simply says you don't have to mail out the same policy document year after year after year.

As a result, customers will know that when they get a privacy notice, it's something new and deserves their attention, or at least contains some new information. And banks and credit unions and other financial institutions that have been spending millions of dollars to mail out redundant policies can redirect those savings back to the customers.

Mr. Speaker, I again want to thank Mr. LUETKEMEYER, the Representative from Missouri, for his tireless leadership on this issue. This is a common-sense fix that both parties can agree on, and I hope that we can pass this bill by voice vote and go on to something else.

I see no Democratic speakers; and on that basis, I yield back the balance of my time.

Mr. LUETKEMEYER. Mr. Speaker, I just want to again reiterate my thanks to the gentleman from California (Mr. SHERMAN) for his hard work on this issue. I know we had a little bump in the road last fall when we were working on this, and it was through his efforts that we were able to solve the problem.

He's been tireless on this, and again today he's brought a lot of energy and information to this issue, and we certainly appreciate his support.

I yield back the balance of my time.

Ms. JACKSON LEE. Mr. Speaker, I rise today to debate H.R. 749, the "Eliminate Privacy Notice Confusion Act," which seeks to eliminate wasteful and unnecessarily duplicative privacy notification requirements for financial institutions.

More specifically, H.R. 749 would amend the Gramm-Leach-Bliley Act to exempt from its annual privacy policy notice requirement any financial institution that:

(1) Provides nonpublic personal information only in accordance with specified requirements, and

(2) Has not changed its policies and practices with regard to disclosing nonpublic personal information from those disclosed in the most recent disclosure sent to consumers."

Under current law, financial institutions are required to give notices to customers that delineate their information-sharing practices. The Gramm-Leach-Bliley (GLB) Act of 1999 attempted to balance the information privacy interests of consumers with the need for financial institutions to share information for ordinary business purposes.

To that end, GLB required financial institutions to inform their customers, in the form of a privacy notice, about the types of information they collect as well as the types of businesses that may be provided that information.

In order to give the customer the choice of determining whether he or she is comfortable with the sharing of their information, the privacy notice is required to be issued upon the opening of a new account as well as once a year.

Financial institutions collect basic information from customers, such as your name, phone number, address, income, and details about your assets. Moreover, in determining whether someone qualifies for a particular product, such as a loan, a financial institution may collect additional details from other sources, such as credit reports from credit bureaus. Furthermore, some financial institutions track your use of products like credit cards and record information such as how much you borrow, how much you buy, where you shop, and whether you pay your balance in a timely fashion.

Some financial institutions share this collected information with other entities, including unaffiliated companies like retailers and telemarketers. This is why it is particularly important that customers know the privacy policies of their financial institutions; customers must make a determination as to whether they are comfortable with how their bank intends to share their information.

However, requiring financial institutions to submit annual privacy notices to customers when they remain unchanged can be considered wasteful. Moreover, because the notices must be issued with regularity, it may have the effect of lowering awareness on the part of consumers when a change to a privacy policy is in fact made.

H.R. 749 intends to eliminate this waste and potential for diminished customer awareness by removing the annual notification requirement for financial institutions, so long as the policy remains unchanged from the last notification and the financial institution otherwise complies with the requirements for notification.

For that reason, Members ought to cop sider H.R. 749 in contemplation of the intent of the notification requirements in Gramm-Leach-Bliley.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri (Mr. LUETKEMEYER) that the House suspend the rules and pass the bill, H.R. 749.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### STUDIES OF VOLUNTARY COMMUNITY-BASED FLOOD INSURANCE OPTIONS

Mr. LUETKEMEYER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1035) to require a study of voluntary community-based flood insurance options and how such options could be incorporated into the national flood insurance program, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1035

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. STUDIES OF VOLUNTARY COMMUNITY-BASED FLOOD INSURANCE OPTIONS.

##### (a) STUDY.—

(1) STUDY REQUIRED.—The Administrator of the Federal Emergency Management Agency shall conduct a study to assess options, methods, and strategies for making available voluntary community-based flood insurance policies through the National Flood Insurance Program.

(2) CONSIDERATIONS.—The study conducted under paragraph (1) shall—

(A) take into consideration and analyze how voluntary community-based flood insurance policies—

(i) would affect communities having varying economic bases, geographic locations, flood hazard characteristics or classifications, and flood management approaches; and

(ii) could satisfy the applicable requirements under section 102 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a); and

(B) evaluate the advisability of making available voluntary community-based flood insurance policies to communities, subdivisions of communities, and areas of residual risk.

(3) CONSULTATION.—In conducting the study required under paragraph (1), the Administrator may consult with the Comptroller General of the United States, as the Administrator determines is appropriate.

##### (b) REPORT BY THE ADMINISTRATOR.—

(1) REPORT REQUIRED.—Not later than 18 months after the date of enactment of this Act, the Administrator shall submit to the

Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report that contains the results and conclusions of the study conducted under subsection (a).

(2) CONTENTS.—The report submitted under paragraph (1) shall include recommendations for—

(A) the best manner to incorporate voluntary community-based flood insurance policies into the National Flood Insurance Program; and

(B) a strategy to implement voluntary community-based flood insurance policies that would encourage communities to undertake flood mitigation activities, including the construction, reconstruction, or improvement of levees, dams, or other flood control structures.

(c) REPORT BY COMPTROLLER GENERAL.—Not later than 6 months after the date on which the Administrator submits the report required under subsection (b), the Comptroller General of the United States shall—

(1) review the report submitted by the Administrator; and

(2) submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report that contains—

(A) an analysis of the report submitted by the Administrator;

(B) any comments or recommendations of the Comptroller General relating to the report submitted by the Administrator; and

(C) any other recommendations of the Comptroller General relating to community-based flood insurance policies.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Missouri (Mr. LUETKEMEYER) and the gentlewoman from Wisconsin (Ms. MOORE) each will control 20 minutes.

The Chair recognizes the gentleman from Missouri.

#### GENERAL LEAVE

Mr. LUETKEMEYER. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks and submit extraneous materials for the RECORD on H.R. 1035.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. LUETKEMEYER. Mr. Speaker, I yield myself such time as I may consume.

I rise today in support of H.R. 1035, legislation introduced by my Financial Services Committee colleague, Congresswoman GWEN MOORE, and chairman emeritus, SPENCER BACHUS.

H.R. 1035 would require the Federal Emergency Management Agency, the agency which administers the National Flood Insurance Program, or NFIP, to conduct a study on the advantages and disadvantages of providing voluntary community-based flood insurance through the NFIP and report its recommendations for implementation to Congress within 18 months.

Additionally, H.R. 1035 requires the Government Accountability Office to analyze FEMA's report and submit its comments or recommendations to Congress within 6 months.