

# “WHAT PRIVACY NOTICE?”

## Financial Privacy: The Consumer Education Challenge

Susan E. Henrichsen  
Office of the Attorney General  
State of California

# Informed Consumer Choice

- Create understandable notices
- Increase consumer awareness
- Overcome distrust

# “What privacy notice?”

May 2001 American Bankers Association survey

- Forty-one percent did not recall receiving the notice.
- Twenty-two percent had received but not read the notice.
- Thirty-six percent had read the notice.

June 15, 2001 ABA press release

How many of you recall receiving one or more privacy notices from your bank, credit card issuer, insurance company or securities advisor?

How many of you read the notices?

How many feel you understood the notices?

# Most Frequently Asked Questions

- “Why do you need to know that?”
- “Is it safe to provide my Social Security number/account number?”
- “Why are they doing this?”

# E-Mail “Opt Out” Warning

Just wanted to let everyone know who hasn't already heard, the four major credit bureaus in the US will be allowed, starting July 1, to release your credit info, mailing addresses, phone numbers ... to anyone who requests it.

If you would like to 'opt out' of this release of info, you can call 1-888-567-8688. It only takes a couple of minutes to do, and you can take care of anyone else in the household while making only one call, you'll just need to know their social security number.

Be sure to listen closely, the first opt out is only for two years, make sure you wait until they prompt you to press '3' on your keypad to opt out for good.

# Consumer Education Initiatives

Press releases

Fact sheets

Workshops

Web pages

Consumer alerts

FAQs

Links to other resources





# Examples from AG web pages

Not a comprehensive sampling

Excerpts only

Link from home page

Consumer page

Search “financial privacy”

# **Financial Privacy**

## **Alan G. Lance**

### **Idaho Attorney General**

#### **The Gramm-Leach-Bliley Act**

A federal law, the Gramm-Leach-Bliley Act (GLB) offers consumers limited protection with regard to confidential financial information. GLB uses an “opt-out” approach to give consumers some control over their personal financial information. However, the burden is on you. You must take specific actions in order to protect the confidentiality of information about you.

**How To Opt Out**

**A GLB Glossary**

**Other Laws and Regulation Related to Privacy**

# Consumer Alert

**JENNIFER M. GRANHOLM**  
**MICHIGAN ATTORNEY GENERAL**

**DON'T THROW AWAY YOUR RIGHT TO FINANCIAL PRIVACY --  
READ YOUR MAIL FROM FINANCIAL INSTITUTIONS AND DECIDE  
WHETHER TO SAY "NO!" TO INFORMATION TRAFFICKING.**

The Attorney General's office advises consumers to learn about their right to say "no" to the sharing of their personal information by financial institutions. Beginning July 1, 2001, financial institutions are allowed to sell your personal information to unaffiliated companies -- but before they do, they must notify you of their information-sharing practices and give you the opportunity to limit some of the trafficking in your personal information. Do not throw out mail from banks, insurance companies, investment brokers, and other financial institutions until you have reviewed it for financial privacy information. If you do not exercise your right to say "no," these companies may begin selling your personal information to outside companies.

# Privacy Notices

**Janet Napolitano**

**Arizona Attorney General**

You may find that the privacy notices you receive are not easy to read or understand. Don't worry. If you want to take advantage of the minimal privacy the financial institutions are offering you, all you need to do is look for one of the following in your notice:

1. A toll-free number;
2. A form letter for you to return or directions on where and to whom to write a letter; or
3. An online address if that is how you normally conduct business with your financial institutions.

Welcome to **California**

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[Identity Theft](#)

[Financial Privacy](#)

[California Privacy Legislation](#)

[Privacy Laws](#)

[Privacy Site Links](#)

[Response Form](#)

[About Us](#)

**Office of Privacy  
Protection**  
**(800) 952-5210**

[privacyprotection@dca.ca.gov](mailto:privacyprotection@dca.ca.gov)



OFFICE OF  
**Privacy  
Protection**

## ABOUT US

California is the first state to have an agency dedicated to promoting and protecting the privacy rights of consumers. Created by legislation signed into law by Governor Gray Davis in 2000, the Office of Privacy Protection opened in 2001.

### The Office of Privacy Protection

**Serves** as a statewide resource for consumer information and sources of assistance on identity theft and other privacy issues.

**Assists** local, state and federal law enforcement by providing training on privacy issues and by coordinating with them in investigations.

**Works** with businesses to define and encourage sound privacy protection practices.

**Reports** on trends in consumer privacy problems and issues.



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# California Office of Privacy Protection

## Privacy Protection Links

- [Consumer Information](#)
- [Identity Theft](#)
- [\*\*Financial Privacy\*\*](#)
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# California Office of Privacy Protection

## Financial Privacy

Having control over your personal information is the very essence of privacy, and personally identifiable financial information is among the most sensitive of all personal information. Until recently the limits on sharing and selling your personally identifiable financial information that applied to your bank, credit union, credit card company, insurance company and other financial services companies was not clear. A federal law that took effect in 2001 gives consumers the right to stop some of that information sharing. Even if you threw away the first privacy notices, it is not too late to make your wishes known. The information offered here is intended to help consumers exercise their rights under the law and gain some control over their personal financial information.



# The Message

- Watch for your privacy notices
- Consider your options
- Remember, the burden is on you

## **Attention:**

Make consumers aware of the issues and the availability of information

## **Investment:**

Convince consumers that becoming informed is worth their time

## **Payoff:**

Provide information and choices that have value

# Consumer education alone is not enough

- Accuracy
- Readability
- Standardized terms
- Specificity
- Clarity

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