

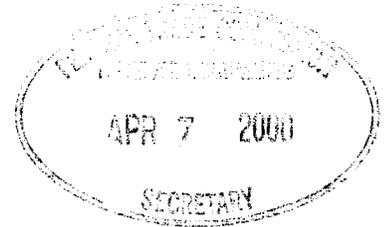


IDAHO BANKERS ASSOCIATION

P.O. Box 638 • Boise, ID 83701
Phone 208/342-8282 • Fax 208/342-8044

Barbara Strickfaden
Executive Director

March 30, 2000



Manager
Dissemination Branch
Records of Management & Information Policy
Office of Thrift Supervision
1700 G. Street
Washington, DC 20552
Attention: Docket No. 2000-13

Re: Proposed Privacy Rules Pursuant to Section 504 of the Gramm-Leach-Bliley Act

Dear Sir/Madam:

These comments on the proposed privacy rules (the "Rules") published pursuant to Section 504 of the Gramm-Leach-Bliley Act (the "GLB Act") are submitted by and on behalf of the Idaho Bankers Association (the "IBA"). Individual IBA member banks may submit their own comments, as well. We thank you for this opportunity to comment on the Rules.

These comments will consist of two parts. The first part contains comments on the Rules; the second part responds to certain of the banking agency questions set out in the Rules.

I. COMMENTS

As a general comment, it seems clear to us that the definition of "nonpublic personal information" should not include any information which is obtainable from sources available to the general public. The mere fact that personally identifiable financial information is provided by a consumer to a financial institution should not subject that information to these privacy restrictions, if the same information is readily available from public sources.

Another general comment is that only truly "financial information" should be covered by the regulation; for example, the mere fact that an individual does business with a financial institution should not be considered private information.

Regarding the requirement that financial institutions disclose their privacy policy, financial institutions should be entitled to give the privacy disclosure to the principal holder of a joint account, rather than to all joint owners. Some consideration should also be given to the situation involving customers with whom the financial institution does not regularly communicate, such as safety deposit box customers. It should be enough to inform such customers that the privacy policy is available either in the branch or on the financial institution's website.

We disagree with the Rules' requirement that categories of nonpublic personal information which are collected and disclosed by the financial institution be listed by source. The applicable section of the GLB Act simply requires the categories themselves to be listed.

The Rules' requirement that financial institutions explain who has access to information and the circumstances under which information may be accessed seems unduly burdensome. These facts may change over time and in addition, there may be reasons (e.g., to detect potential fraud) that the specifics should not be disclosed to customers.

In Section 40.6(a)(1) of the Rules, it should be made clear that only information which the financial institution collects in some sort of retrievable form is included within the categories which must be disclosed.

Finally, it should be made clear that financial institutions are not required to police third party re-use of information.

II. SUGGESTED ANSWERS TO BANKING AGENCY QUESTIONS

1. Nonpublic Personal Information. The banking agencies have asked for comments on alternatives A and B, and whether either definition of nonpublic personal information should cover information about a consumer that contains no indicators of a consumer's identity. We favor adoption of alternative B, which makes it clear that the definition of "nonpublic personal information" excludes publicly available information, even if the financial institution does not actually obtain it from that public source. Further, the definition of "nonpublic personal information" should not include any information about a consumer that does not indicate the consumer's identity.

2. Personally Identifiable Financial Information. We believe that "financial" should mean "financial"; if the nature of the information is not financial, it should not be included within the definition of personally identifiable financial information.

3. Publicly Available Information. Information should be considered publicly available if it is available from the public record (e.g., recorded in the real estate records, filed in the UCC records, or available as a public record in the hands of any federal, state or local government agency). In addition, information which is available on the internet should be considered "publicly available." If the person making the information available on the internet has either procured or published that information illegally, that person should be subject to prosecution and/or suit as appropriate; but if it is not readily apparent to persons accessing such information that it was procured or published illegally, the illegality should not affect the information's status as publicly available information.

4. How To Provide Notice. As stated above, we believe that where there is more than one party to an account, providing notice to any one party should suffice.

5. Annual Notices When the Customer Relationship Has Been Terminated. We believe the examples provided are helpful, but this is a difficult area and we have not had time to determine whether additional examples would be useful.

6. Listing the Categories of Persons To Whom Information May Be Disclosed. We believe it is appropriate to simply inform consumers that the financial institution makes disclosures as permitted by law to nonaffiliated third parties.

7. Opt-Out Issues. We have not had time to formulate a comment on this issue.

8. Timing of Notices. Thirty (30) days seems a reasonable opportunity for customers to opt out in the case of notices sent by mail. Beyond that, we have no comment on this issue.

9. "Service Provider" and "Joint Marketing" Exceptions to the Opt-Out Requirement. We can think of no reason that credit scoring vendors should be prohibited from using the consumers' information, without indicators of personal identity, to re-validate the underlying credit scoring model.

Regarding "Joint Marketing," beyond contractually limiting the joint marketer's future use of the information used in joint marketing, it would probably be ineffective to require financial institutions to take further steps to ensure that the other participant in the joint marketing agreement does not present undue risks.

10. Consent to Disclosure. We believe that any unambiguous manifestation of consent to disclosure should be acceptable.

11. Reuse of Information. Again, we believe that beyond contractually obligating the third parties to comply with the ban on reuse of information, there is little that the financial institution can effectively do to ensure that the third party does comply.

12. The Limits of Sharing Account Numbers With Third Parties. In general, we believe that the limitation on sharing account numbers with third parties for marketing purposes set forth in Section 502(d) of the GLB Act is appropriate. However, it is possible that such prohibition might have unintended, disruptive consequences. It may be appropriate to allow sharing if the customer has expressly consented to it, or if such sharing is necessary to consummate a transaction initiated by the consumer.

13. Effective Date. We believe that the six month period following adoption of the final rules is sufficient to enable compliance; if compliance problems are identified during that six month period, it is unlikely that additional time, by itself, would ameliorate them.

We appreciate the opportunity to comment on the Rules being promulgated pursuant to the GLB Act. Thank you very much.

Sincerely,



Barbara Strickfaden
Executive Director
Idaho Bankers Association

Cc:

Secretary
Federal Trade Commission
Room H-159
600 Pennsylvania Avenue, NW
Washington, DC 20580

Jonathan G. Katz
Secretary
Securities and Exchange Commission
450 5th Street, NW
Washington, DC 20549
File No. S7-6-00

Becky Baker
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, Virginia 22314



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Barbara Strickfaden
Executive Director

March 30, 2000

Robert E. Feldman
Executive Secretary
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429
Attention: Comments/OES

Re: Proposed Privacy Rules Pursuant to Section 504 of the Gramm-Leach-Bliley Act

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Barbara Strickfaden

Executive Director

March 30, 2000

Jennifer J. Johnson
Secretary
Board of Governors of the Federal Reserve System
20th and Constitution Avenue, NW
Washington, DC 20551
Attention: Docket No. R-1058

Re: Proposed Privacy Rules Pursuant to Section 504 of the Gramm-Leach-Bliley Act

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Barbara Strickfaden
Executive Director

March 30, 2000

Office of the Comptroller of the Currency
Communications Division
250 E Street, SW
Washington, DC 20219
Attention : Docket No. 00-05

Re: Proposed Privacy Rules Pursuant to Section 504 of the Gramm-Leach-Bliley Act

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