



Monthly Telephone BRIEFING

November 16, 2018 – 12:00 – 1:30 p.m.

Legislature Amends New Privacy Act to Exempt Most Consumer Purpose Information

The California Consumer Privacy Act of 2018 (Privacy Act) was signed into law on June 28, 2018. Less than three months later the Legislature amended the Privacy Act by adopting SB 1121 on September 23, 2018. SB 1121 made meaningful the Gramm-Leach-Bliley Act (GLBA) exception but seems to have left information about individuals held in connection with business-purpose accounts covered by the Privacy Act. The Privacy Act goes into effect on January 1, 2020.

The new Privacy Act applies to California businesses that collect, sell or disclose consumers' personal information. The Act defines a "consumer" as a natural person who is a California resident but is not limited to individuals who purchase goods or services from a business for personal, family or household purposes ("consumer purposes"). As amended by SB 1121, the Privacy Act will not apply to personal information collected or disclosed under GLBA. This should exempt virtually all true consumer-purpose information.

The catch is that financial institutions will still need to comply with the Privacy Act as to individual customers who obtain financial products or services for business purposes. Sole proprietors and even individual signers or guarantors on corporate accounts or loans appear to remain covered. This will present thorny practical issues as institutions try to apply a "consumer" privacy law to non-consumer accounts. We will discuss this development and other aspects of the SB 1121 amendments at the November BCG Monthly Telephone Briefing.

The Homeowner Bill of Rights (It's Back!)

During the 2008 mortgage crisis, some servicers were engaging in robo-signing, dual tracking and other bad practices detrimental to homeowners. In response, the California Legislature passed the Homeowner Bill of Rights (HBR) in 2012. The HBR had tougher requirements for large servicers (really, "large foreclosurers") and less-tough requirements for small servicers. Most of the HBR expired on January 1, 2018. As a result, with few exceptions, on January 1, 2018, large servicers just had to comply with the small servicer rules. In late 2018, the Legislature decided to reenact the HBR, with a few changes, effective January 1, 2019. During the November BCG Monthly Telephone Briefing we will go through the HBR's past, present and upcoming requirements, focusing primarily on the small servicer provisions.



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Aldrich & Bonnefin is hosting a Monthly Telephone Briefing for Bankers' Compliance Group[®] Members on **Friday, November 16**. This meeting will be presented live and will include a question and answer session. Members can ask questions by telephone or email. Each member that registers for the Monthly Telephone Briefing will be given a password and instructions to call in to the Briefing.

ORGANIZE YOUR PARTICIPANTS

BCG Main or Registration Contacts are encouraged to organize multiple attendees to participate at one location or several locations concurrently. In this manner, several attendees can be accommodated in one conference room with a speakerphone. All Briefing connections are included in your BCG Membership.

REGISTRATION

To register, please contact your institution's BCG Main or Registration Contact or, if authorized, log in at <http://register.bankerscompliancegroup.com/subadmin> and select "Register for Events." Registration closes at noon **two business days** prior to the Briefing date. On the day before the Briefing, registrants will receive an email with call-in instructions and single-use PIN.

CD-Rom: Members can also register to receive a CD-Rom package. This package, which includes any Handouts, is mailed to registrants approximately 2-3 weeks after the Briefing.

DOWNLOAD THE HANDOUTS

The Handouts are *generally* posted on the BCG Website by noon on the business day before the Briefing. All registrants will receive an email notification when the Handouts are posted. To download a Handout, go to www.bankerscompliancegroup.com/monthly-telephone-briefing.php and click on the "Download Handout Here" link at the end of each Briefing description.

CANCELLATION

It is not necessary for registrants to contact BCG if they cannot attend a Briefing and need to cancel their registration.

SIGN UP ANNUALLY

Sign up annually for the 2018 BCG Monthly Telephone Briefings! If you like attending the Briefings, but don't want to register every month, you can have your institution's Registration contact sign you up for the entire year.

MISSED THE BRIEFING?

Should you or others at your institution miss the briefing, you can tune into our streaming audio available on the BCG website one week after the Briefing, at www.bankerscompliancegroup.com/listen-while-you-work.php.