

March 15, 2001

S 461. INSURANCE INFORMATION PRIVACY (=H 349). *TO MAKE THE NORTH CAROLINA INSURANCE INFORMATION AND PRIVACY PROTECTION ACT COMPLY WITH THE CONSUMER INFORMATION PRIVACY REQUIREMENTS IN THE FEDERAL GRAMM-LEACH-BLILEY ACT, PUBLIC LAW 106-102.* Identical to H 349, introduced 3/1/01.

Intro. by Wellons.

Ref. to Insurance	GS 58
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April 24, 2001

S 461. INSURANCE INFORMATION PRIVACY. Intro. 3/15/01. Senate committee substitute makes the following changes to 1st edition. Adds provisions to GS 58-39-25: requiring notice of information practices be provided to applicants or policyholders before the initial disclosure of personal information; allowing insurance institution, its affiliates, and other financial institutions to provide joint notices and to provide a single notice to joint applicants; deleting notice requirement where applicant's last known address is invalid or to policyholders whose policy has lapsed and the institution has not communicated with the policyholder for 12 consecutive months; and providing that if an agent does not share covered information and the agent's principal provides required notices, the agent is not required to provide notice. Amends GS 58-39-25 to provide that for mortgage guaranty insurance, notice is provided at the time a master policy is issued. Adds exceptions to GS 58-39-76 for provision of account numbers to the insurance entity's agent or service provider for internal marketing and to specified private label credit card programs. Amends GS 58-39-75(12) to provide that no medical information may be provided to affiliates. Adds severability clause. Makes effective date Jan. 1, 2002. Makes other technical and conforming changes.

July 18, 2001

S 461. INSURANCE INFORMATION PRIVACY. Intro. 03/15/01. House committee substitute makes the following changes to 2nd edition. Deletes changes to GS 58-39-25 and instead creates new GS 58-39-26 and GS 58-39-27 to make NC law comply with the federal privacy disclosure requirements of P.L. 106-102. Defines "applicant" and "policyholder," to whom federal privacy disclosure requirements apply, to include a person who applies for, or a certificate holder who obtains, insurance coverage under a group or blanket insurance contract, employee benefit plan, or group annuity contract. Disclosures required include a clear and conspicuous notice, in written or electronic form, of the insurance institution's or agent's policies with respect to (1) disclosing nonpublic personal information to affiliates and nonaffiliated third parties, including the categories of information that may be disclosed; (2) disclosing nonpublic personal information of persons who have ceased to be customers of the financial institution; and (3) protecting the nonpublic personal information of consumers. Requires the disclosure notice to indicate the categories of nonpublic personal information that are collected by the insurance institution or agent. If the insurance institution or agent discloses personal information pursuant to GS 58-39-75(11), it must provide the notice required by GS 58-39-26 to the applicant or policyholder not less than 30 days before the information is disclosed. Amends GS 58-39-75(2) to clarify that disclosures permitted for business, professional, or insurance functions include the performing of marketing functions and other functions regarding the provision of information concerning the disclosing institution's own products, services, and programs. Creates new exception to disclosure limitations in GS 58-39-75 to permit disclosures to a person whose only use of an applicant's or policyholder's personal information (not including medical information) will be in connection with the marketing of a financial product or services intended to be provided by those who were identified when the applicant or policy holder is first offered the financial product or service. Effective Jan. 1, 2002, and applicable to policies and contracts issued or renewed on or after that date. The renewal of a policy or contract is presumed to occur on each anniversary of the date on which coverage was first effective.

July 24, 2001

S 461. INSURANCE INFORMATION PRIVACY. Intro. 3/15/01. House amendment makes the following changes to 3rd edition. Amends GS 58-39-15(9)b. to define "individual" as any natural person who, in the case of life, health, or disability insurance, is a past, present, or proposed principal insured or certificate holder, and to make citation correction to GS 58-39-26.

August 13, 2001

SL 2001-351 (S 461). INSURANCE INFORMATION PRIVACY. *AN ACT TO MAKE THE NORTH CAROLINA INSURANCE INFORMATION AND PRIVACY PROTECTION ACT COMPLY WITH THE CONSUMER INFORMATION PRIVACY REQUIREMENTS IN THE FEDERAL GRAMM-LEACH-BLILEY ACT, PUBLIC LAW 106-102.* Summarized in *Daily Bulletin* 3/15/01, 4/24/01, 7/18/01, and 7/24/01. Enacted Aug. 9, 2001. This act becomes effective Jan. 1, 2002, and applies to policies and contracts newly issued or renewed on and after that date. For the purposes of the application of this act to policies or contracts renewed on and after Jan. 1, 2002, the renewal of a policy or contract is presumed to occur on each anniversary of the date on which coverage was first effective on the person or persons covered by the policy or contract.