

Fifty-eighth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1179

Introduced by

Industry, Business and Labor Committee

(At the request of the Insurance Commissioner)

1 A BILL for an Act to amend and reenact section 26.1-02-27 of the North Dakota Century Code,
2 relating to disclosing nonpublic personal information.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 26.1-02-27 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **26.1-02-27. Disclosing nonpublic personal information.**

- 7 1. An insurance company, nonprofit health service corporation, or health
8 maintenance organization may not disclose to a nonaffiliated third party a
9 customer's nonpublic personal information contrary to the provisions of title V of
10 the Gramm-Leach-Bliley Act [Pub. L. 106-102; 113 Stat. 1436] or contrary to the
11 rules adopted by the commissioner under this section.
- 12 2. a. The commissioner ~~may~~ shall adopt rules ~~as may be~~ necessary to carry out
13 this section.
- 14 b. The rules must be consistent with and not more restrictive than the model
15 regulation adopted by the national association of insurance commissioners
16 entitled "Privacy of Consumer Financial and Health Information Regulation".
- 17 c. Notwithstanding subdivision b and subject to the exceptions, including the
18 affiliate sharing exception provided for in the national association of insurance
19 commissioner's model regulation, the rules must prohibit the disclosure of
20 nonpublic personal health and financial information concerning an individual
21 unless an authorization is obtained from the individual whose nonpublic
22 personal health and financial information is sought to be disclosed.
- 23 d. Notwithstanding subdivision b, the model regulation exemptions, and the
24 exemptions under federal law, the rules must provide that an insurance

- 1 company, nonprofit health service corporation, or health maintenance
2 organization must have an individual's consent before disclosing the
3 individual's information to a nonaffiliated third party under a joint marketing
4 agreement, as defined under section 502(b)(2) of the federal Financial
5 Services Modernization Act of 1999 [Pub. L. 106-102; 113 Stat. 1437;
6 15 U.S.C. 6802(b)(2)].
7 3. This section does not create a private right of action.