

HOUSE BILL NO. 1485

Introduced by

Representative Gulleason

Senator Heitkamp

1 A BILL for an Act to create and enact a new section to chapter 10-04 of the North Dakota
2 Century Code, relating to securities privacy of nonpublic personal information; and to amend
3 and reenact section 26.1-02-27 of the North Dakota Century Code, relating to insurance privacy
4 of nonpublic personal information.

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

6 **SECTION 1.** A new section to chapter 10-04 of the North Dakota Century Code is
7 created and enacted as follows:

8 **Disclosing nonpublic personal information.** A dealer, a federal covered adviser, or
9 an investment adviser that is registered, required to be registered, or otherwise doing business
10 in this state as well as an issuer that has that issuer's securities offered for sale or sold in this
11 state may not disclose nonpublic personal information contrary to the provisions of this section.
12 The commissioner shall adopt rules that provide for an opt-in procedure for consumer
13 authorization for disclosure of nonpublic personal information instead of the opt-out procedure
14 under title V of the federal Financial Services Modernization Act of 1999 [Pub. L. 106-102; 113
15 Stat. 1436; 15 U.S.C. 6801 et seq.] This section does not create a private right of action.
16 Section 10-04-17 does not apply to this section.

17 **SECTION 2. AMENDMENT.** Section 26.1-02-27 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **26.1-02-27. Disclosing nonpublic personal information.** An insurance company,
20 nonprofit health service corporation, or health maintenance organization regulated by the
21 commissioner may not disclose nonpublic personal information contrary to the provisions of
22 title V of the Gramm Leach Bliley Act [Pub. L. 106-102; 113 Stat. 1436] this section. The
23 commissioner ~~may shall~~ adopt rules ~~as may be necessary to carry out this section.~~ The rules
24 ~~must be~~ that are consistent with and not more restrictive than the model regulation adopted by

Fifty-eighth
Legislative Assembly

1 the national association of insurance commissioners entitled "Privacy of Consumer Financial
2 and Health Information Regulation". However, the rules must provide for an opt-in procedure
3 for consumer authorization for disclosure of nonpublic personal information instead of the
4 opt-out procedure under title V of the federal Financial Services Modernization Act of 1999
5 [Pub. L. 106-102; 113 Stat. 1436; 15 U.S.C. 6801 et seq.]. This section does not create a
6 private right of action.