

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1447

Page 1, line 2, replace "penalty" with "contingent effective clause"

Page 1, replace lines 4 through 23 with:

"SECTION 1. Definitions. As used in this Act, unless the context otherwise requires:

1. "Consumer" has the same meaning provided in section 509 of the Federal Gramm-Leach-Bliley Financial Services Modernization Act [Pub. L. 106-102; 113 Stat. 1443; 15 U.S.C. 6809].
2. "Financial activities" includes lending, trust, and other banking activities; insurance activities; financial or economic advice or services; pooled investments; and securities underwriting and dealing.
3. "Financial institution" has the same meaning as provided in section 509 of the Federal Gramm-Leach-Bliley Financial Services Modernization Act [Pub. L. 106-102; 113 Stat. 1443; 15 U.S.C. 6809]. The term includes any institution engaging in financial activities.
4. "Nonaffiliated third party" has the same meaning provided in section 509 of the Federal Gramm-Leach-Bliley Financial Services Modernization Act [Pub. L. 106-102; 113 Stat. 1443; 15 U.S.C. 6809].
5. "Nonpublic personal information" has the same meaning provided in section 509 of the Federal Gramm-Leach-Bliley Financial Services Modernization Act [Pub. L. 106-102; 113 Stat. 1443; 15 U.S.C. 6809].

SECTION 2. Privacy of financial data - Exceptions. Except as expressly provided in this Act, every financial institution doing business in this state shall comply with the privacy provisions in title V of the Federal Gramm-Leach-Bliley Financial Services Modernization Act [Pub. L. 106-102, title V, sec. 501 et seq.; 113 Stat. 1436 et seq.; 15 U.S.C. 6801 et seq.].

1. In the case of a financial institution regulated under chapter 6-08.1, the provisions relating to disclosure of customer information under chapter 6-08.1 supersede this Act.
2. In the case of a financial institution not regulated under chapter 6-08.1, the financial institution may not disclose nonpublic personal information about a consumer to any nonaffiliated third party, including a disclosure described in section 502(b)(2) of the Federal Gramm-Leach-Bliley Financial Services Modernization Act [Pub. L. 106-102; 113 Stat. 1437; 15 U.S.C. 6802], unless the disclosure is made pursuant to a consent granted by the consumer as provided under this Act. However, a financial institution regulated under this subsection may disclose nonpublic personal information about a consumer without a consent granted by the consumer if the disclosure is made:
 - a. Pursuant to one of the general exceptions in section 502(e) of the Federal Gramm-Leach-Bliley Financial Services Modernization Act [Pub. L. 106-102; 113 Stat. 1437; 15 U.S.C. 6802];

- b. For the purpose of reporting a suspected violation of law or rule to the appropriate state agency or law enforcement agency; or
- c. For the purpose of complying with state law or rule, including the sharing of information between the department of banking and financial institutions, insurance commissioner, and securities commissioner in the course of official duties.

SECTION 3. Privacy of financial data - Exceptions. Except as expressly provided in this Act, every financial institution doing business in this state shall comply with the privacy provisions in title V of the Federal Gramm-Leach-Bliley Financial Services Modernization Act [Pub. L. 106-102, title V, sec. 501 et seq.; 113 Stat. 1436 et seq.; 15 U.S.C. 6801 et seq.]. A financial institution may not disclose nonpublic personal information about a consumer to any nonaffiliated third party, including a disclosure described in section 502(b)(2) of the Federal Gramm-Leach-Bliley Financial Services Modernization Act [Pub. L. 106-102; 113 Stat. 1437; 15 U.S.C. 6802], unless the disclosure is made pursuant to a consent granted by the consumer as provided under this Act. However, a financial institution may disclose nonpublic personal information about a consumer without a consent granted by the consumer if the disclosure is made:

- 1. Pursuant to one of the general exceptions in section 502(e) of the Federal Gramm-Leach-Bliley Financial Services Modernization Act [Pub. L. 106-102; 113 Stat. 1437; 15 U.S.C. 6802];
- 2. For the purpose of reporting a suspected violation of law or rule to the appropriate state agency or law enforcement agency; or
- 3. For the purpose of complying with state law or rule, including the sharing of information between the department of banking and financial institutions, insurance commissioner, and securities commissioner in the course of official duties."

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 9

Page 3, line 13, remove "for purposes of section 2 of this Act"

Page 3, line 17, replace "five" with "two"

Page 3, line 19, remove "consumer's social security number,"

Page 3, line 23, remove "affiliates and"

Page 3, line 24, remove "- **Penalty - Civil penalty**"

Page 3, line 25, replace "Any financial" with:

"SECTION 7. CONTINGENT EFFECTIVE CLAUSE. If Senate Bill No. 2191 fails to become effective, section 2 of this Act becomes effective on the effective date of this Act and section 3 of this Act does not become effective. If Senate Bill No. 2191 is passed by the fifty-seventh legislative assembly and becomes effective, section 3 of this Act becomes effective on the effective date of this Act and section 2 of this Act does not become effective."

Page 3, remove lines 26 and 27

Renumber accordingly