

**Sixty-sixth Legislative Assembly of North Dakota
In Regular Session Commencing Thursday, January 3, 2019**

HOUSE BILL NO. 1138
(Representatives Keiser, O'Brien)

AN ACT to amend and reenact subsection 2 of section 26.1-02-27 of the North Dakota Century Code, relating to annual privacy notices.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 2 of section 26.1-02-27 of the North Dakota Century Code is amended and reenacted as follows:

2. a. The commissioner shall adopt rules necessary to carry out this section.
- ~~b.a.~~ The rules must be consistent with and not more restrictive than the model regulation adopted by the national association of insurance commissioners entitled "Privacy of Consumer Financial and Health Information Regulation".
- ~~e.b.~~ Notwithstanding subdivision ~~b~~a and subject to the exceptions, including the affiliate sharing exception provided for in the national association of insurance commissioners' model regulation, the rules may prohibit the disclosure of nonpublic personal health and financial information concerning an individual unless an authorization is obtained from the individual whose nonpublic personal health and financial information is sought to be disclosed.
- ~~c.~~ The rules may not require an insurance company, nonprofit health service corporation, or health maintenance organization to provide an annual privacy notice if the insurance company, nonprofit health service corporation, or health maintenance organization:
 - (1) Complies with nonaffiliated third party sharing rules adopted by the commissioner;
and
 - (2) Has not changed the insurance company's, nonprofit health service corporation's, or health maintenance organization's policies and practices with regard to disclosing nonpublic personal information from the policies and practices that were disclosed in the most recent notice sent to consumers.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-sixth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1138.

House Vote: Yeas 87 Nays 1 Absent 6

Senate Vote: Yeas 45 Nays 0 Absent 2

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 2019.

Approved at _____ M. on _____, 2019.

Governor

Filed in this office this _____ day of _____, 2019,

at _____ o'clock _____ M.

Secretary of State