

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas  
2 83rd General Assembly  
3 Regular Session, 2001  
4

As Engrossed: S3/22/01

# A Bill

SENATE BILL 286

5 By: Senator T. Smith  
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## For An Act To Be Entitled

9 AN ACT TO AMEND SUBCHAPTER ONE OF CHAPTER 61 OF  
10 TITLE 23 OF THE ARKANSAS CODE TO ENABLE THE  
11 INSURANCE COMMISSIONER TO ENACT REGULATIONS  
12 PERTAINING TO PRIVACY OF CONSUMER FINANCIAL AND  
13 HEALTH INFORMATION; TO CONFORM ARKANSAS LAW TO  
14 THE FEDERAL GRAMM-LEACH-BLILEY ACT OR OTHER  
15 APPLICABLE LAW; AND FOR OTHER PURPOSES.  
16

## Subtitle

17 TO ENABLE THE COMMISSIONER TO ENACT  
18 PRIVACY REGULATIONS RELATING TO CONSUMER  
19 INFORMATION.  
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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25 SECTION 1. Arkansas Code Title 23, Chapter 61, Subchapter 1, is amended  
26 to add an additional section to read as follows:

27 23-61-113. Disclosure of Nonpublic Personal Information

28 (a) No person shall disclose any nonpublic personal information  
29 contrary to the provisions of Title V of the Gramm-Leach-Bliley Act of 1999  
30 Public Law 106-102.

31 (b) The commissioner shall adopt rules and regulations governing the  
32 treatment of consumer financial and protected health information by all  
33 licensed insurers, producers and other persons licensed or required to be  
34 licensed, authorized or required to be authorized, or registered or required  
35 to be registered by the commissioner.

36 (c)(1) The commissioner shall waive any provision of this section that

1 creates any conflict with similar federal laws or regulations, or which, due  
2 to the enactment of any such similar federal laws or regulations, creates an  
3 undue burden or increased financial or operational demands upon any person or  
4 entity referenced in subsection (b) of this section, in order to comply with  
5 this section, the regulations to be promulgated by the commissioner, and  
6 similar federal laws and regulations.

7 (2) Any person or entity referenced in subsection (b) of this  
8 section may request a hearing before the commissioner to seek the waiver  
9 referenced in subsection (c)(1) of this section.

10 (3)(A) Under Arkansas Code 23-61-307, any person or entity  
11 referenced in subsection (b) of this section is entitled to appeal the  
12 commissioner's decision to deny a waiver.

13 (B) In any appeal pursuant to this section, the  
14 commissioner shall be named as defendant.

15 (C) In any such action, the commissioner may but shall not  
16 be obligated to defend the action, in his discretion.

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18 SECTION 2. EMERGENCY CLAUSE. It is hereby found and determined by the  
19 Eighty-third General Assembly that there is an immediate need for the  
20 Insurance Commissioner to enact regulations providing for the treatment of  
21 nonpublic financial and health information by licensees. Such action is in  
22 the best interest of the public, in that such regulations will protect the  
23 public's personal nonpublic financial and health information, and will also  
24 assist the states in achieving uniformity in the regulation of the insurance  
25 business. Therefore, an emergency is declared to exist and this act being  
26 immediately necessary for the preservation of the public peace, health and  
27 safety shall become effective on the date of its approval by the Governor. If  
28 the bill is neither approved nor vetoed by the Governor, it shall become  
29 effective on the expiration of the period of time during which the Governor  
30 may veto the bill. If the bill is vetoed by the Governor and the veto is  
31 overridden, it shall become effective on the date the last house overrides the  
32 veto.

33 /s/ T. Smith  
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