

LEGISLATIVE BILL 241

Approved by the Governor May 10, 2017

Introduced by Craighead, 6.

A BILL FOR AN ACT relating to the Privacy of Insurance Consumer Information Act; to amend section 44-905, Reissue Revised Statutes of Nebraska; to provide an exception to the requirement to send annual privacy notices; and to repeal the original section.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 44-905, Reissue Revised Statutes of Nebraska, is amended to read:

44-905 (1) A licensee shall provide a clear and conspicuous notice to customers that accurately reflects its privacy policies and practices not less than annually during the continuation of the customer relationship. For purposes of this subsection, annually means at least once in any period of twelve consecutive months during which that relationship exists. A licensee may define the twelve-consecutive-month period, but the licensee shall apply it to the customer on a consistent basis.

(2) A licensee is not required to provide an annual notice under subsection (1) of this section if the licensee:

(a) Provides nonpublic personal information to nonaffiliated third parties only in accordance with sections 44-913 to 44-915; and

(b) Has not changed its policies and practices with regard to disclosing nonpublic personal information from the policies and practices that were disclosed in the most recent disclosure sent to consumers in accordance with section 44-904 or subsection (1) of this section.

~~(3)(a) (2)(a)~~ A licensee is not required to provide an annual notice to a former customer.

(b) For purposes of this subsection, a former customer is an individual with whom a licensee no longer has a continuing relationship. A former customer includes:

(i) An individual who is no longer a current policyholder of an insurance product or no longer obtains insurance services with or through the licensee;

(ii) An individual whose policy is lapsed, expired, or otherwise inactive or dormant under the licensee's business practices, and the licensee has not communicated with the customer about the relationship for a period of twelve consecutive months, other than to provide annual privacy notices, material required by law or regulation, or promotional materials;

(iii) An individual whose last-known address according to the licensee's records is deemed invalid. An address of record is deemed invalid if mail sent to that address by the licensee has been returned by the postal authorities as undeliverable and if subsequent attempts by the licensee to obtain a current valid address for the individual have been unsuccessful; and

(iv) In the case of providing real estate settlement services, the customer has completed execution of all documents related to the real estate closing, payment for those services has been received, or the licensee has completed all of its responsibilities with respect to the settlement, including filing documents on the public record, whichever is later.

~~(4) (3)~~ When a licensee is required by this section to deliver an annual privacy notice, the licensee shall deliver it according to section 44-909.

Sec. 2. Original section 44-905, Reissue Revised Statutes of Nebraska, is repealed.