

**American Bankers Association
American Council of Life Insurers
American Property Casualty Insurance Association
Committee of Annuity Insurers
Consumer Credit Industry Association
Council of Insurance Agents & Brokers
Independent Insurance Agents & Brokers of America
Insured Retirement Institute
National Association of Insurance and Financial Advisors
National Association of Mutual Insurance Companies
National Association of Professional Insurance Agents
National Insurance Crime Bureau**

November 14, 2023

The Honorable Kathleen Birrane
Chair, Innovation, Cybersecurity, and Technology (H) Committee
National Association of Insurance Commissioners
1100 Walnut Street, Suite 1500
Kansas City, MO 64106

Re: Privacy Protections Working Group Proposed Charges (2024)

Dear Commissioner Birrane:

In advance of the H Committee's upcoming meetings this week and in early December, the interested parties identified above write to you about the Privacy Protections Working Group's proposed 2024 charges. Our organizations propose three subtle revisions to the first of the working group's proposed charges and respectfully urge the Committee to incorporate these revisions into the charge before taking final action. Specifically, we recommend the adoption of the following revisions:

The Privacy Protections (H) Working Group will:

A. Use state insurance privacy protections regarding the collection, data ownership and use rights, and disclosure of information gathered in connection with insurance transactions to draft a new revised Privacy Protections Model Act to replace update NAIC models, such as Model #670 and or Model #672.

Over the last several years, the Privacy Protections Working Group has been working to ensure that (1) the NAIC's privacy-related model laws provide consumer protections appropriate for today's business environment and (2) those recommendations can be implemented consistently and on a multistate basis by state policymakers. The charge as proposed, however, risks being interpreted as limiting the options of the Working Group because some may feel it leaves the Working Group with only one pathway to meet these goals (i.e., the development of an entirely new model law that may not even allow for lifting viable sections from an existing framework). This suggestion merely makes it explicit that the door is open to the Working Group and the H Committee to make substantive changes to the regulatory landscape surrounding insurance privacy via several potential avenues – as a completely new model, as a new model leveraging sections of an existing model, or by amending one or more of the existing model laws – as regulators determine the best way forward.

In short, the minor suggested revisions shown above aim to maximize the options and flexibility the NAIC has in accomplishing its goals.

We thank you for considering these clarifying edits.