

**Public Comments to
Revised Article VIII, Additional Provisions, of the
*Privacy of Consumer Financial and Health Information Regulation (672)***

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Brenda Cude, Brendan Bridgeland, Brent Walker, Deborah Darcy, Erica Eversman, Harold Ting,
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Regulator Comments:

Michigan Department of Insurance and Financial Services

ARTICLE VIII. ADDITIONAL PROVISIONS

Section 273. Protection of Fair Credit Reporting Act

Nothing in this ~~Act/regulation~~ shall be construed to modify, limit or supersede the operation of the ~~federal~~-Fair Credit Reporting Act (15 U.S.C. 1681 et seq.), and no inference shall be ~~made drawn on the basis of the provisions of this Act/regulation~~ regarding whether information is transaction or experience information under Section 603 of that Act.

Section 284. Nondiscrimination

- A. A licensee shall not unfairly discriminate against any consumer or customer because that consumer or customer has opted out from the disclosure of his or her nonpublic personal financial information pursuant to the provisions of this ~~regulation/Act~~.
- B. A licensee shall not unfairly discriminate against a consumer or customer because that consumer or customer has not granted authorization for the disclosure of his or her nonpublic personal health information pursuant to the provisions of this ~~Act/regulation~~.

Commented [ES1]: The wording of this section may need to be changed if "opt-in" language is adopted.

Section 295. Violation

Drafting Note: Cite state unfair trade practices act or other applicable state law.

Section 3026. Severability

If any section or portion of a section of this ~~Act/regulation~~ or its applicability to any person or circumstance is held invalid by a court, the remainder of the ~~Act/regulation~~ or the applicability of the provision to other persons or circumstances shall not be affected.

Section 31. Individual Remedies

~~Nothing in this act shall be construed to create or imply a private cause of action for violation of its provisions.~~

Commented [ES2]: Would additional remedies be based on state law?

Section 3227. Effective Date

- A. Effective date. This ~~Act/regulation~~ is effective ~~November 13, 2000~~~~[Insert Date]~~. In order to provide sufficient time for licensees to establish policies and systems to comply with the requirements of this ~~regulation/Act~~, the commissioner has extended the time for compliance with this ~~Act/regulation~~ until ~~[Insert Date]~~~~July 1, 2001~~.
- B. (1) Notice requirement for consumers who are the licensee's customers on the compliance date. By ~~[Insert Date]~~~~July 1, 2001~~, a licensee shall provide an initial notice, as required by Section 5, to consumers who are the licensee's customers on ~~[Insert Date]~~~~July 1, 2001~~.
- (2) Example. A licensee provides an initial notice to consumers who are its customers on ~~[Insert Date]~~~~July 1, 2001~~, if, by that date, the licensee has established a system for

Commented [ES3]: Potentially change to X number days from effective date of act. Michigan has similar statutes written like this.

providing an initial notice to all new customers and has mailed the initial notice to all the licensee's existing customers.

- C. Two-year grandfathering of service agreements. Until ~~[Insert Date] July 1, 2002~~, a contract that a licensee has entered into with a nonaffiliated third party to perform services for the licensee or functions on the licensee's behalf satisfies the provisions of Section 195A(1)(b) of this ~~Act~~ regulation, even if the contract does not include a requirement that the third party maintain the confidentiality of nonpublic personal information, as long as the licensee entered into the agreement on or before ~~[Insert Date] July 1, 2000~~.

Deleted all appendices at the end of the model.

APPENDIX A — SAMPLE CLAUSES

~~Licensees, including a group of financial holding company affiliates that use a common privacy notice, may use the following sample clauses, if the clause is accurate for each institution that uses the notice. (Note that disclosure of certain information, such as assets, income and information from a consumer reporting agency, may give rise to obligations under the federal Fair Credit Reporting Act, such as a requirement to permit a consumer to opt out of disclosures to affiliates or designation as a consumer reporting agency if disclosures are made to nonaffiliated third parties.)~~

~~A-1—Categories of information a licensee collects (all institutions)~~

~~A licensee may use this clause, as applicable, to meet the requirement of Section 7A(1) to describe the categories of nonpublic personal information the licensee collects.~~

~~Sample Clause A-1:~~

~~We collect nonpublic personal information about you from the following sources:~~

- ~~1) Information we receive from you on applications or other forms;~~
- ~~• Information about your transactions with us, our affiliates or others; and~~
- ~~• Information we receive from a consumer reporting agency.~~

~~Drafting Note: The safe harbor of compliance for use of sample clause A-1 expires on July 1, 2019.~~

~~A-2—Categories of information a licensee discloses (institutions that disclose outside of the exceptions)~~

~~A licensee may use one of these clauses, as applicable, to meet the requirement of Section 7A(2) to describe the categories of nonpublic personal information the licensee discloses. The licensee may use these clauses if it discloses nonpublic personal information other than as permitted by the exceptions in Sections 15, 16 and 17.~~

~~Sample Clause A-2, Alternative 1:~~

~~We may disclose the following kinds of nonpublic personal information about you:~~

- ~~• Information we receive from you on applications or other forms, such as [provide illustrative examples, such as “your name, address, social security number, assets, income, and beneficiaries”];~~
- ~~• Information about your transactions with us, our affiliates or others, such as [provide illustrative examples, such as “your policy coverage, premiums, and payment history”]; and~~
- ~~• Information we receive from a consumer reporting agency, such as [provide illustrative examples, such as “your creditworthiness and credit history”].~~

~~Drafting Note: The safe harbor of compliance for use of sample clause A-2, Alternative 1 expires on July 1, 2019.~~

~~Sample Clause A-2, Alternative 2:~~

~~We may disclose all of the information that we collect, as described [describe location in the notice, such as “above” or “below”].~~

~~Drafting Note: The safe harbor of compliance for use of sample clause A-2, Alternative 2 expires on July 1, 2019.~~

~~A 3—Categories of information a licensee discloses and parties to whom the licensee discloses (institutions that do not disclose outside of the exceptions)~~

~~A licensee may use this clause, as applicable, to meet the requirements of Sections 7A(2), (3), and (4) to describe the categories of nonpublic personal information about customers and former customers that the licensee discloses and the categories of affiliates and nonaffiliated third parties to whom the licensee discloses. A licensee may use this clause if the licensee does not disclose nonpublic personal information to any party, other than as permitted by the exceptions in Sections 16 and 17.~~

~~Sample Clause A 3:~~

~~We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law.~~

~~Drafting Note: The safe harbor of compliance for use of sample clause A 3 expires on July 1, 2019.~~

~~A 4—Categories of parties to whom a licensee discloses (institutions that disclose outside of the exceptions)~~

~~A licensee may use this clause, as applicable, to meet the requirement of Section 7A(2) to describe the categories of affiliates and nonaffiliated third parties to whom the licensee discloses nonpublic personal information. This clause may be used if the licensee discloses nonpublic personal information other than as permitted by the exceptions in Sections 15, 16 and 17, as well as when permitted by the exceptions in Sections 16 and 17.~~

~~Sample Clause A 4:~~

~~We may disclose nonpublic personal information about you to the following types of third parties:~~

~~(1) Financial service providers, such as [provide illustrative examples, such as “life insurers, automobile insurers, mortgage bankers, securities broker-dealers, and insurance agents”];~~

~~A. Non financial companies, such as [provide illustrative examples, such as “retailers, direct marketers, airlines, and publishers”]; and~~

~~1) Others, such as [provide illustrative examples, such as “non-profit organizations”].~~

~~We may also disclose nonpublic personal information about you to nonaffiliated third parties as permitted by law.~~

~~Drafting Note: The safe harbor of compliance for use of sample clause A 4 expires on July 1, 2019.~~

~~A 5—Service provider/joint marketing exception~~

~~A licensee may use one of these clauses, as applicable, to meet the requirements of Section 7A(5) related to the exception for service providers and joint marketers in Section 15. If a licensee discloses nonpublic personal information under this exception, the licensee shall describe the categories of nonpublic personal information the licensee discloses and the categories of third parties with which the licensee has contracted.~~

~~Sample Clause A 5, Alternative 1:~~

~~We may disclose the following information to companies that perform marketing services on our behalf or to other financial institutions with which we have joint marketing agreements:~~

~~(a) Information we receive from you on applications or other forms, such as [provide illustrative examples, such as “your name, address, social security number, assets, income, and beneficiaries”];~~

~~(1) Information about your transactions with us, our affiliates or others, such as [provide illustrative examples, such as “your policy coverage, premium, and payment history”]; and~~

~~1. Information we receive from a consumer reporting agency, such as [provide illustrative examples, such as “your creditworthiness and credit history”].~~

~~Drafting Note: The safe harbor of compliance for use of sample clause A 5, Alternative 1 expires on July 1, 2019.~~

~~Sample Clause A 5, Alternative 2:~~

~~We may disclose all of the information we collect, as described [describe location in the notice, such as “above” or “below”] to companies that perform marketing services on our behalf or to other financial institutions with whom we have joint marketing agreements.~~

~~Drafting Note: The safe harbor of compliance for use of sample clause A 5, Alternative 2 expires on July 1, 2019.~~

~~A 6 – Explanation of opt out right (institutions that disclose outside of the exceptions)~~

~~A licensee may use this clause, as applicable, to meet the requirement of Section 7A(6) to provide an explanation of the consumer’s right to opt out of the disclosure of nonpublic personal information to nonaffiliated third parties, including the method(s) by which the consumer may exercise that right. The licensee may use this clause if the licensee discloses nonpublic personal information other than as permitted by the exceptions in Sections 15, 16 and 17.~~

~~Sample Clause A 6:~~

~~If you prefer that we not disclose nonpublic personal information about you to nonaffiliated third parties, you may opt out of those disclosures, that is, you may direct us not to make those disclosures (other than disclosures permitted by law). If you wish to opt out of disclosures to nonaffiliated third parties, you may [describe a reasonable means of opting out, such as “call the following toll free number: (insert number)].~~

~~Drafting Note: The safe harbor of compliance for use of sample clause A 6 expires on July 1, 2019.~~

~~A 7 – Confidentiality and security (all institutions)~~

~~A licensee may use this clause, as applicable, to meet the requirement of Section 7A(8) to describe its policies and practices with respect to protecting the confidentiality and security of nonpublic personal information.~~

~~Sample Clause A 7:~~

~~We restrict access to nonpublic personal information about you to [provide an appropriate description, such as “those employees who need to know that information to provide products or services to you”]. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.~~

~~Drafting Note: The safe harbor of compliance for use of sample clause A 7 expires on July 1, 2019.~~

~~Chronological Summary of Actions (all references are to the Proceedings of the NAIC)~~

~~2000 Proc. 3rd Quarter 7, 10, 14-36, 904 (adopted).~~

~~2002 Proc. 3rd Quarter 12, 13, 71, 72-73 (amended).~~

~~2017 Spring National Meeting (amended).~~

Industry Comments:

American Council of Life Insurers (ACLI)

May 6, 2026

Director Elizabeth Kelleher Dwyer, Chair
Commissioner Nathan Houdek & Timothy Cornelius, Co-Vice Chairs
Privacy Protections (H) Working Group
National Association of Insurance Commissioners
1100 Walnut Street
Kansas City, MO 64106-2197

Via email: privacywg@naic.org

RE: ACLI Comments to Article VIII of the Chair's Draft to the Privacy Protections (H) Working Group

Dear Chair Dwyer and Vice Chairs Houdek and Cornelius:

We appreciate the continued opportunity to provide comments on this important Model 672 modernization drafting process. The following represent our brief comments on Article VIII of the Chair's Draft, *Additional Provisions*. As we near the end of the drafting work and stakeholder input opportunities, we appreciate the Working Group's April 30th comments acknowledging the need for a cohesive draft to serve as the basis for providing comments on the last exposure Article I, including the *Definitions* Section. Once again, we are happy to expand on our comments or provide any follow-up as needed.

With minimal changes to Article VIII, we appreciate the inclusion of Section 31, *Individual Remedies*. The previous Model remained silent on this issue and, when included, a private right of action can complicate consistent understanding and application of privacy rights, lead to extensive litigation by bad-faith actors passing harm to consumers via less affordable and accessible products, and disproportionately burden smaller entities leading to a less diverse marketplace. There have been demonstrated weaponized uses of private rights of action in privacy laws, largely benefitting the plaintiff's bar, not actual consumers. Not including a private right of action does not leave consumers without protections. Other provisions in a modernized Model 672 will offer consumers greater and more consistent protections and still will permit enforcement for violations under Section 29 which is appropriately drafted to allow for state-by-state enactment, reflecting applicable state unfair trade practices acts or other applicable state laws.

Thank you again for the opportunity to provide these brief comments. We look forward to continued opportunities to provide stakeholder input.

Thank you,

Kirsten Wolfford
Senior Counsel, ACLI

American Property Casualty Insurance Association (APCIA)

May 5, 2026

NAIC Privacy Protections (H) Working Group
1100 Walnut Street
Suite 1500
Kansas City, MO 64106

Attn: privacywg@naic.org

RE: *APCIA Comments on Article VIII- Additional Provisions*

Dear Chair Dwyer and Members of the Privacy Protections (H) Working Group:

Thank you for the opportunity to submit comments on Article VIII of the Chair Draft revising the Privacy of Consumer Financial and Health Information Regulation (Model #672). APCIA appreciates the Working Group's continued efforts to advance a modernized and balanced privacy framework, as well as the collaborative approach reflected throughout the drafting process.

As previously noted, the absence of a consolidated text showing how all updated provisions and definitions will ultimately operate together makes it challenging to fully assess scope, interaction, and downstream implications. Our comments are therefore necessarily limited to the language as currently presented.

Based on our review of Article VIII, we do not identify concerns at this time, and we note the importance of the clarity provided in Section 31 specifying that nothing in the Act shall be construed to create or imply a private cause of action. This provision reinforces reliance on established regulatory enforcement mechanisms, under which state insurance regulators already possess extensive authority and a full range of tools to address privacy-related matters, including market conduct examinations, corrective actions, administrative penalties, and licensure actions. Preserving enforcement within this framework supports consistency, proportionality, and effective supervision, while avoiding unnecessary uncertainty and cost. This clarity is a foundational component of a workable and durable framework.

As the Working Group continues its work and the broader draft comes together, we will continue to evaluate the provisions in context and may offer additional feedback as warranted. We echo the importance of allowing sufficient time for stakeholder review once a full draft is re-exposed, given the technical and interdependent nature of these revisions.

We appreciate the opportunity to provide comments and look forward to continued engagement. Please feel free to contact us with any questions.

Thank you,

Kristin Abbott
Sr. Director and Counsel, Cyber & Privacy

May 6, 202

Chair Elizabeth Kelleher Dwyer (RI)
Co-Vice Chair Jodi Frantz (PA)
Co-Vice Chair Nathan Houdek (WI) Co-
Vice Chair Timothy Cornelius (WI)
2024 NAIC Privacy Protections (H) Working Group
NAIC Central Office
1100 Walnut Street
Suite 1500
Kansas City, Missouri 64106

Sent via email to: privacywg@naic.org

RE: Chair's Draft Revising Model Law 672 – Article VIII

Dear Chair Dwyer and Co-Vice Chairs Gillespie and Hastings:

The Committee of Annuity Insurers (CAI or Committee)¹ appreciates the opportunity to submit the following feedback to the 2024 NAIC Privacy Protections (H) Working Group (Working Group) on Article VIII of the Chair's Draft revising Model 672 (the Chair's Draft). The CAI recognizes and applauds the Working Group's ongoing efforts to enhance privacy protections for consumers through a revised version of Model 672, and its commitment to continuing to work collaboratively with consumer and industry stakeholders.

The Committee strongly supports the proposed revision to Article VIII to include the important clarification that a violation of the provisions of the Act does not give rise to a private cause of action. This provision ensures that enforcement of the Act will be led by regulators who are best positioned to provide consistent decisions and guidance that will promote compliance and accountability. It also provides appropriate protection to consumers without encouraging potentially frivolous, expensive, and disproportionate litigation. The Committee fully supports the addition of proposed Section 31.

We thank the Working Group for its thoughtful consideration of our comment on Article VIII of the Chair's Draft revising Model 672. Please do not hesitate to contact us if you have any questions.

¹ The Committee of Annuity Insurers is a coalition of life insurance companies that issue annuities. It was formed in 1981 to address legislative and regulatory issues relevant to the annuity industry and to participate in the development of public policy with respect to securities, state regulatory and tax issues affecting annuities. The CAI's current 33 member companies represent approximately 80% of the annuity business in the United States. More information is available at <https://www.annuity-insurers.org/>.

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May 6, 2026

Sincerely,

For The Committee of Annuity Insurers

Eversheds Sutherland (US) LLP

By:

Stephen E. Roth

Stephen E. Roth
Mary Jane Wilson-Bilik
Alexander F. L. Sand
Eversheds Sutherland (US) LLP

Consumer Comments:

FROM THE NAIC CONSUMER REPRESENTATIVES

TO: NAIC Privacy Protections (H) Working Group
sent via email to: privacywg@naic.org

DATE: May 6, 2026

RE: Comments on PPWG Chair Draft Article VIII

Thank you to the Privacy Protections (H) Working Group for the opportunity to continue to comment on the privacy model act that the Working Group is drafting. Below is a WORD document with our recommendation for a substantive revision in red and highlighted in yellow. In addition, our text reflects several grammatical and typographical changes.

Should you have any questions about this document, feel free to contact Harry Ting or one of the other NAIC Consumer Representatives signees below.

Signed by NAIC Consumer Representatives

Brenda Cude
Brendan Bridgeland
Brent Walker
Deborah Darcy
Erica Eversman
Harold Ting
Kenneth Klein
Richard Weber
Silvia Yee

ARTICLE VIII. ADDITIONAL PROVISIONS

Section 27. Protection of Fair Credit Reporting Act

Nothing in this Act shall be construed to modify, limit or supersede the operation of the federal Fair Credit Reporting Act (15 U.S.C. 1681 et seq.), and no inference shall be drawn on the basis of the provisions of this Act regarding whether information is transaction or experience information under Section 603 of that Act.

Section 28. Nondiscrimination

- A. A licensee shall not unfairly discriminate against any consumer or customer because that consumer or customer has opted out from the disclosure of his or her nonpublic personal financial information pursuant to the provisions of this Act.
- B. A licensee shall not unfairly discriminate against a consumer or customer because that consumer or customer has not granted authorization for the disclosure of his or her nonpublic personal health information pursuant to the provisions of this Act.

Section 29. Violation

Drafting Note: Cite state unfair trade practices act or other applicable state law.

Section 30. Severability

If any section or portion of a section of this Act or its applicability to any person or circumstance is held invalid by a court, the remainder of the Act or the applicability of the provision to other persons or circumstances shall not be affected.

Section 31. Individual Remedies

Nothing in this Act shall be construed to create or imply a private cause of action for violation of its provisions. **Equally, nothing in this Act shall be construed to invalidate or limit rights, remedies, procedures, or legal standards that are available to individuals affected by the circumstances that are subject to this Act.**

Section 32. Effective Date

- A. Effective date. This Act is effective [Insert Date]. In order to provide sufficient time for licensees to establish policies and systems to comply with the requirements of this Act, the commissioner has extended the time for compliance with this Act until [Insert Date].
- B. (1) Notice requirement for consumers who are the licensee's customers on the compliance date. By [Insert Date], a licensee shall provide an initial notice, as required by Section 5, to consumers who are the licensee's customers on [Insert Date].
(2) Example. A licensee provides an initial notice to consumers who are its customers on [Insert Date], if, by that date, the licensee has established a system for providing an initial notice to all new customers and has mailed the initial notice to all the licensee's existing customers.
- C. Two-year grandfathering of service agreements. Until [Insert Date], a contract that a licensee has

entered into with a nonaffiliated third party to perform services for the licensee or functions on the licensee's behalf satisfies the provisions of Section 19A(1)(b) of this Act, even if the contract does not include a requirement that the third party maintain the confidentiality of nonpublic personal information, as long as the licensee entered into the agreement on or before [Insert Date].

Deleted all appendices at the end of the model.