
A BILL FOR AN ACT

RELATING TO INSURANCE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 431:3A-201, Hawaii Revised Statutes, is
2 amended by amending subsection (c) to read as follows:

3 "(c) When an existing customer obtains a new insurance
4 product or service from a licensee that is to be used primarily
5 for personal, family, or household purposes, the licensee shall
6 be deemed to satisfy the initial notice requirements of
7 subsection (a) if:

8 (1) The licensee provides a revised privacy notice, under
9 section 431:3A-205, that covers the customer's new
10 insurance product or service; or

11 (2) The initial, revised, or [~~annual~~] biennial notice that
12 the licensee most recently provided to that customer
13 was accurate with respect to the new insurance product
14 or service, in which case the licensee does not need
15 to provide a new privacy notice under subsection (a)."

16 SECTION 2. Section 431:3A-202, Hawaii Revised Statutes, is
17 amended to read as follows:



1 " ~~[§] 431:3A-202 [§]~~ ~~[Annual]~~ Biennial privacy notice to
2 customers required. (a) A licensee shall provide a clear and
3 conspicuous notice to customers that accurately reflects its
4 privacy policies and practices not less than ~~[annually]~~
5 biennially during the continuation of the customer relationship.
6 ~~[Annually]~~ For the purposes of this section, "biennially" means
7 at least once in any period of ~~[twelve]~~ twenty-four consecutive
8 months during which that relationship exists. A licensee may
9 define the ~~[twelve consecutive month]~~ twenty-four consecutive-
10 month period, but the licensee shall apply it to the customer on
11 a consistent basis.

12 (b) A licensee shall not be required to provide ~~[an~~
13 ~~annual]~~ a biennial notice to a former customer. A former
14 customer is an individual with whom a licensee no longer has a
15 continuing relationship.

16 (c) If a licensee is required under this section to
17 deliver ~~[an annual]~~ a biennial privacy notice, the licensee
18 shall deliver it according to section 431:3A-206."

19 SECTION 3. Section 431:3A-203, Hawaii Revised Statutes, is
20 amended by amending subsections (a) and (b) to read as follows:



1 "(a) The initial, [~~annual~~,] biennial, and revised privacy
2 notices that a licensee provides under sections 431:3A-201,
3 431:3A-202, and 431:3A-205 shall include the following
4 information, in addition to any other information the licensee
5 wishes to provide, that applies to the licensee and to the
6 consumers to whom the licensee sends its privacy notice:

7 (1) The categories of nonpublic personal financial
8 information that the licensee collects;

9 (2) The categories of nonpublic personal financial
10 information that the licensee discloses;

11 (3) The categories of affiliates and nonaffiliated third
12 parties to whom the licensee discloses nonpublic
13 personal financial information, other than those
14 parties to whom the licensee discloses information
15 under sections 431:3A-402 and 431:3A-403;

16 (4) The categories of nonpublic personal financial
17 information about the licensee's former customers that
18 the licensee discloses, and the categories of
19 affiliates and nonaffiliated third parties to whom the
20 licensee discloses nonpublic personal financial
21 information about the licensee's former customers,



1 other than those parties to whom the licensee
2 discloses information under sections 431:3A-402 and
3 431:3A-403;

4 (5) A separate description of the categories of
5 information the licensee discloses and the categories
6 of third parties with whom the licensee has
7 contracted, if a licensee discloses nonpublic personal
8 financial information to a nonaffiliated third party
9 under section 431:3A-401 and no other exception in
10 sections 431:3A-402 and 431:3A-403 applies to that
11 disclosure;

12 (6) An explanation of the consumer's right under section
13 431:3A-301(a) to opt out of the disclosure of
14 nonpublic personal financial information to
15 nonaffiliated third parties, including the methods by
16 which the consumer may exercise that right at that
17 time;

18 (7) Any disclosures that the licensee makes under section
19 603(d)(2)(A)(iii) of the federal Fair Credit Reporting
20 Act, Title 15 United States Code section
21 1681a(d)(2)(A)(iii), as amended;



(8) The licensee's policies and practices with respect to protecting the confidentiality and security of nonpublic personal information; and

(9) Any disclosure that the licensee makes under subsection (b).

(b) If a licensee discloses nonpublic personal financial information under sections 431:3A-402 and 431:3A-403, the licensee is not required to list those exceptions in the initial or ~~annual~~ biennial privacy notices required by sections 431:3A-201 and 431:3A-202. When describing the categories of parties to whom disclosure is made, the licensee shall state only that it makes disclosures to other affiliated or nonaffiliated third parties, as applicable, as permitted by law."

SECTION 4. Section 431:3A-206, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (b) to read:

"(b) A licensee may reasonably expect that a customer will receive actual notice of the licensee's ~~annual~~ biennial privacy notice if:



- 1 (1) The customer uses the licensee's web site to access
2 insurance products and services electronically and
3 agrees to receive notices at the web site and the
4 licensee posts its current privacy notice continuously
5 in a clear and conspicuous manner on the web site; or
6 (2) The customer has requested that the licensee refrain
7 from sending any information regarding the customer
8 relationship, and the licensee's current privacy
9 notice remains available to the customer upon
10 request."

11 2. By amending subsection (d) to read:

12 "(d) For customers only, a licensee shall provide the
13 initial notice required by section 431:3A-201(a), the [~~annual~~]
14 biennial notice required by section 431:3A-202(a), and the
15 revised notice required by section 431:3A-205, so that the
16 customer can retain them or obtain them later in writing or, if
17 the customer agrees, electronically."

18 3. By amending subsection (f) to read:

19 "(f) If two or more consumers jointly obtain an insurance
20 product or service from a licensee, the licensee may satisfy the
21 initial, [~~annual~~], biennial, and revised notice requirements of



1 sections 431:3A-201(a), 431:3A-202(a), and 431:3A-205(a), by
2 providing one notice to those consumers jointly."

3 SECTION 5. This Act does not affect rights and duties that
4 matured, penalties that were incurred, and proceedings that were
5 begun before its effective date.

6 SECTION 6. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 7. This Act shall take effect on July 1, 2030.



Report Title:

Insurance; Financial Information; Biennial Privacy Notice

Description:

Requires an insurer to provide privacy notices on a biennial basis rather than an annual basis. (SB2643 HD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

