

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7885

BILL NUMBER: HB 1695

DATE PREPARED: Jan 24, 2001

BILL AMENDED:

SUBJECT: Privacy of Personal Information.

FISCAL ANALYST: Jim Landers

PHONE NUMBER: 232-9869

FUNDS AFFECTED: X

**GENERAL
DEDICATED
FEDERAL**

IMPACT: State

Summary of Legislation: This bill defines "licensee" as a person who must be licensed, authorized, certified, or registered under the Indiana insurance law. The bill specifies the requirements for the initial and annual privacy notices that must be provided by a licensee to consumers and customers of the licensee regarding disclosure of the consumers' or customers' financial information. It specifies: (1) information that must be provided in a privacy notice and an opt out notice; (2) requirements for revisions to the privacy notice; (3) requirements for delivery of privacy notice and notice of the right to opt out; (4) nondiscrimination provisions; (5) limitations on disclosure and redisclosure of financial information; (6) limitations on disclosure of information for marketing purposes; and (7) exceptions to the notice and opt out requirements. This bill also provides for privacy notice and disclosure requirements for disclosure of personal health information. The bill also provides for violations of the notice and disclosure requirements. It also makes a conforming amendment.

Effective Date: July 1, 2001.

Explanation of State Expenditures: The Insurance Commissioner may investigate alleged violations and may impose fines and other sanctions. The Department may also adopt rules to implement the proposal. Neither of these provisions will have a significant fiscal impact on the Department. Fines would be deposited in the State General Fund.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Insurance.

Local Agencies Affected:

Information Sources: Liz Carroll, Deputy Director, Department of Insurance, (317) 232-2406.