

HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 172

A bill to amend 1956 PA 218, entitled  
"The insurance code of 1956,"  
by amending section 513 (MCL 500.513), as added by 2001 PA 24.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 513. (1) A—**Except as otherwise provided in subsection**  
2 **(2), a** licensee shall provide a clear and conspicuous notice to  
3 customers that accurately reflects its privacy policies and  
4 practices not less than annually during the continuation of the  
5 customer relationship. As used in this ~~section,~~ **subsection,**  
6 "annually" means at least once in any period of 12 consecutive  
7 months during which that customer relationship exists. A licensee  
8 may define the 12-consecutive-month period, but the licensee shall  
9 apply it to the customer on a consistent basis.



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

3           (a) The licensee only provides nonpublic personal information  
4 to a nonaffiliated third party under section 535, 537, or 539.

5           (b) The licensee's privacy policies and practices about  
6 disclosing nonpublic personal information have not changed from the  
7 previous notice the licensee provided to the customer under  
8 subsection (1) or section 511.

9           (3) ~~(2)~~—A licensee is not required to provide an annual notice  
10 under subsection (1) to a former customer.

11           Enacting section 1. This amendatory act takes effect 90 days  
12 after the date it is enacted into law.

