

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.

