

**DEPARTMENT OF INSURANCE**

45 Fremont Street, 23<sup>rd</sup> Floor  
San Francisco, CA 94105  
www.insurance.ca.gov

**NOTICE****Department of Insurance Privacy Regulations  
Became Effective on March 24, 2003**

**TO: ALL INSURANCE INSTITUTIONS, AGENTS, AND INSURANCE  
SUPPORT ORGANIZATIONS SUBJECT TO CALIFORNIA AND  
FEDERAL PRIVACY LAWS**

**DATE: March 27, 2003**

---

This Notice is to remind all insurance institutions, agents, and insurance support organizations (“licensees”) subject to the provisions of the California Insurance Information and Privacy Protection Act (California Insurance Code Sections 791 – 791.27) and the privacy provisions of the Federal Gramm-Leach-Bliley Financial Services Modernization Act that California’s regulations governing the Privacy of Nonpublic Personal Information took effect on March 24, 2003. Those regulations are set forth at Title 10, California Code of Regulations, Sections 2689.1 through 2689.24. A copy of the regulations<sup>1</sup> is available on the Department of Insurance website.

In summary, the regulations provide:

- Licensees generally must provide consumers with a Notice describing the licensee’s privacy practices at the time of policy application and annually thereafter.
- All Notices must clearly and conspicuously describe the categories of personal information collected about individuals, the categories of personal information disclosed about individuals, and the categories of third parties who may receive that information.
- If a licensee wishes to disclose personal financial information to nonaffiliated third parties, the licensee must provide a clear and conspicuous Opt-Out Notice and a cost-free method for the consumer to reply.
- The regulations clarify what constitutes a clear and conspicuous notice.

---

<sup>1</sup> The final regulation text as posted on the Department’s website for File Number RH01018269 is entitled “Final Privacy Regulation Text 11-21-02.”

- Insurance producers are responsible for providing notices only if they collect or disclose information in ways other than as set forth in the insurer's notice.
- Nonpublic personal medical record information may not be disclosed without prior written consent.
- Standards are required for the safeguarding of nonpublic personal information.

Licensees not in compliance with all applicable provisions may be subject to enforcement action in accordance with California Insurance Code Section 791.15 and any other enforcement provisions available to the Commissioner.

Any questions regarding this Notice or the specific requirements of the regulations can be addressed to:

Mary Ann Shulman  
Staff Counsel  
California Department of Insurance  
Legal Division, Rate Enforcement Bureau  
45 Fremont Street, 21st Floor  
San Francisco, CA 94105  
(415) 538-4133

**JOHN GARAMENDI**  
**Insurance Commissioner**

---