

# Regulatory Analysis Form

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2011/11/21 11:11:05

REVIEW CONTRIBUTION

(1) Agency

Insurance Department

(2) I.D. Number (Governor's Office Use)

11-215

IRRC Number: 2364

(3) Short Title

Standards for Safeguarding Customer Information

(4) PA Code Cite

31 Pa. Code, Chapter 146c,  
§§146c.1-146c.11

(5) Agency Contacts & Telephone Numbers

Primary Contact: Peter J. Salvatore, Regulatory Coordinator,  
1326 Strawberry Square, Harrisburg, PA 17120, (717) 787-4429  
Secondary Contact:

(6) Type of Rulemaking (check one)

- Proposed Rulemaking  
 Final Order Adopting Regulation  
 Final Order, Proposed Rulemaking Omitted

(7) Is a 120-Day Emergency Certification Attached?

- No  
 Yes: By the Attorney General  
 Yes: By the Governor

(8) Briefly explain the regulation in clear and nontechnical language.

The purpose of this final rulemaking is to adopt Chapter 146c in order to implement the remaining privacy requirements for nonpublic financial and health information set forth in Title V of the Gramm-Leach-Bliley Act (GLBA) (P.L. 102-106; 15 U.S.C. §§ 6801 *et seq.*) following the Department's implementation of Chapter 146a (Privacy of Consumer Financial Information) and Chapter 146b (Privacy of Consumer Health Information).

(9) State the statutory authority for the regulation and any relevant state or federal court decisions.

The final rulemaking is made under the general rulemaking authority of §§ 205, 506, 1501 and 1502 of the Administrative Code of 1929 (71 P.S. §§ 66, 186, 411 and 412), and under the guidance of § 648 of The Insurance Department Act of 1921 (40 P.S. §§ 288), as amended by Act 40 of 1997 (P.L. 349, No. 40). Likewise, this rulemaking is made pursuant to the Department's rulemaking authority under the Unfair Insurance Practices Act (40 P.S. §§ 1171.1 *et seq.*) (as such authority is further explained in *PALU v. Insurance Department*, 371 A.2d 564 (Pa. Cmwlth. 1977)), because the Insurance Commissioner of the Commonwealth of Pennsylvania has determined that the improper disclosure and/or marketing of nonpublic personal financial and health information by members of the insurance industry constitutes an unfair method of competition and an unfair or deceptive act or practice.

## Regulatory Analysis Form

(10) Is the regulation mandated by any federal or state law or court order, or federal regulation? If yes, cite the specific law, case or regulation, and any deadlines for action.

Title V of the Gramm-Leach-Bliley Act (GLBA) (P.L. 102-106; 15 U.S.C. §§ 6801 *et seq.*). The failure of a state to adopt such privacy regulations will result in the state's inability to override the federal insurance consumer protection regulations that were issued by the federal banking agencies in final form on December 4, 2000 pursuant to § 305 of the GLBA. See 65 Fed. Reg. 233, 75821.

(11) Explain the compelling public interest that justifies the regulation. What is the problem it addresses?

The Insurance Department seeks to amend Chapter 146c, §§146c.1-146c.11 because it is in the public interest to implement regulatory requirements recommended by the Federal Government on a statewide level in order to retain jurisdiction over certain insurance consumer protection areas involving banks selling insurance products.

(12) State the public health, safety, environmental or general welfare risks associated with nonregulation.

There are no public health, safety, environment or general welfare risks associated with this rulemaking.

(13) Describe who will benefit from the regulation. (Quantify the benefits as completely as possible and approximate the number of people who will benefit.)

The public will benefit from the regulation to the extent that it requires licensees of the Department to implement safeguards to protect insurance consumers' nonpublic personal health and financial information.

## **Regulatory Analysis Form**

(14) Describe who will be adversely affected by the regulation. (Quantify the adverse effects as completely as possible and approximate the number of people who will be adversely affected.)

There will be no adverse effects on any party as a result of the amendment of this regulation.

(15) List the persons, groups or entities that will be required to comply with the regulation. (Approximate the number of people who will be required to comply.)

The regulation applies to all licensees doing the business of insurance in the Commonwealth, unless specifically exempted from the requirements of the regulation.

(16) Describe the communications with and input from the public in the development and drafting of the regulation. List the persons and/or groups who were involved, if applicable.

Prior to publishing this regulation in proposed form, comments were solicited from the various trade associations representing the insurance industry. At that time, the Department received comments from the following industry members and trade associations: the American Insurance Association ("AIA"), the Alliance of American Insurers ("AAI"), Independence Blue Cross ("IBC"), Capital Blue Cross ("CBC"), the American Council of Life Insurers ("ACLI"), the Insurance Federation of Pennsylvania ("IFP"), and Highmark, Inc. ("Highmark"). Based upon these comments, the Department made several recommended changes to its initial draft of this regulation.

Upon publication of the proposed form of this rulemaking and during the 30-day public comment period, the Department received comments from AIA, ACLI and IFP. The IRRC also commented on the regulation during its review.

(17) Provide a specific estimate of the costs and/or savings to the regulated community associated with compliance, including any legal, accounting or consulting procedures, which may be required.

This proposed regulation will not have any impact on costs associated with the Department's licensees or the public.

## Regulatory Analysis Form

(18) Provide a specific estimate of the costs and/or savings to local governments associated with compliance, including any legal, accounting or consulting procedures, which may be required.

There are no costs or savings to local governments associated with this rulemaking.

(19) Provide a specific estimate of the costs and/or savings to state government associated with the implementation of the regulation, including any legal, accounting, or consulting procedures, which may be required.

There are no costs or savings associated to state government associated with this rulemaking.

## Regulatory Analysis Form

(20) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years. N/A

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
<b>SAVINGS:</b>	\$	\$	\$	\$	\$	\$
Regulated Community						
Local Government						
State Government						
<b>Total Savings</b>						
<b>COSTS:</b>						
Regulated Community						
Local Government						
State Government						
<b>Total Costs</b>						
<b>REVENUE LOSSES:</b>						
Regulated Community						
Local Government						
State Government						
<b>Total Revenue Losses</b>						

(20a) Explain how the cost estimates listed above were derived.

N/A.

### Regulatory Analysis Form

(20b) Provide the past three-year expenditure history for programs affected by the regulation.  
N/A.

Program	FY -3	FY -2	FY -1	Current FY

(21) Using the cost-benefit information provided above, explain how the benefits of the regulation outweigh the adverse effects and costs.

No costs or adverse effects are anticipated as a result of this regulation.

(22) Describe the nonregulatory alternatives considered and the costs associated with those alternatives. Provide the reasons for their dismissal.

Amending Chapter 146c, §§146c.1-146c.11 to implement the NAIC Model regulation is the most efficient method to achieve consistency among the states. No other alternatives were considered.

(23) Describe alternative regulatory schemes considered and the costs associated with those schemes. Provide the reasons for their dismissal.

No other regulatory schemes were considered. This regulation is the most efficient method of updating the regulatory requirements.

## Regulatory Analysis Form

(24) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulation.

No.

(25) How does this regulation compare with those of other states? Will the regulation put Pennsylvania at a competitive disadvantage with other states?

The rulemaking will not put Pennsylvania at a competitive disadvantage with other states. It merely provides for consistency with the GLBA.

(26) Will the regulation affect existing or proposed regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

No.

(27) Will any public hearings or informational meetings be scheduled? Please provide the dates, times, and locations, if available.

No public hearings or informational meetings are anticipated.

## Regulatory Analysis Form

(28) Will the regulation change existing reporting, record keeping, or other paperwork requirements? Describe the changes and attach copies of forms or reports, which will be required as a result of implementation, if available.

The promulgation of this regulation may impose some additional paperwork requirements on the Department, insurers, licensees, or the general public. However, this paperwork would be mandated by the Federal government if not regulated by the Commonwealth.

(29) Please list any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, elderly, small businesses, and farmers.

The rulemaking will have no effect on special needs of affected parties.

(30) What is the anticipated effective date of the regulation; the date by which compliance with the regulation will be required; and the date by which any required permits, licenses or other approvals must be obtained?

The rulemaking will take effect upon approval of the final form regulation by the legislative standing committees, the Independent Regulatory Review Commission and the Office of the Attorney General, and upon final publication in the *Pennsylvania Bulletin*.

(31) Provide the schedule for continual review of the regulation.

The Department reviews each of its regulations for continued effectiveness on a triennial basis.





<p>CDL-1</p> <p style="text-align: center;"><b>FACE SHEET FOR FILING DOCUMENTS WITH THE LEGISLATIVE REFERENCE BUREAU</b></p> <p style="text-align: center;">(Pursuant to Commonwealth Documents Law)</p> <p style="text-align: center; font-weight: bold; font-size: 1.2em;"># 2364</p>	<p style="text-align: center;">2004 MAY 21 11:11:05 REVIEW COMMITTEE</p> <p style="text-align: center; font-weight: bold;">DO NOT WRITE IN THIS SPACE</p>	
<p>Copy below is hereby approved as to form and legality. Attorney General</p> <p>By: _____ (Deputy Attorney General)</p> <p>_____</p> <p style="text-align: center;">Date of Approval</p> <p>→ Check if applicable. Copy not approved. Objections attached.</p>	<p>Copy below is hereby certified to be a true and correct copy of a document issued, prescribed or promulgated by:</p> <p style="text-align: center;"><b>Insurance Department</b></p> <p style="text-align: center;">_____ (AGENCY)</p> <p>DOCUMENT/FISCAL NOTE NO. <u>11-215</u></p> <p>DATE OF ADOPTION: _____</p> <p>BY: <u>M. Diane Koken</u> <b>M. Diane Koken</b> <b>Insurance Commissioner</b></p> <p>TITLE: _____ (EXECUTIVE OFFICER, CHAIRMAN OR SECRETARY)</p>	<p>Copy below is hereby approved as to form and legality. Executive or Independent Agencies</p> <p>BY: <u>Tanya C. [Signature]</u></p> <p style="text-align: center;"><u>5/6/04</u> DATE OF APPROVAL</p> <p style="text-align: center;">(DEPUTY GENERAL COUNSEL) (CHIEF COUNSEL, INDEPENDENT AGENCY) (STRIKE INAPPLICABLE TITLE)</p> <p>→ Check if applicable. No Attorney General approval or objection within 30 days after submission.</p>

**NOTICE OF FINAL FORM RULEMAKING**

**INSURANCE DEPARTMENT**

31 Pa. Code, Chapter 146c  
§§ 146c.1-146c.11

**Standards for Safeguarding Customer Information**

## PREAMBLE

The Insurance Department (Department) hereby adopts 31 Pa. Code, Chapter 146c, Standards for Safeguarding Customer Information, as set forth in Annex A.

### *Statutory Authority*

The final form regulation is adopted under the general authority of §§ 205, 506, 1501 and 1502 of the Administrative Code of 1929 (71 P.S. §§ 66, 186, 411 and 412), and under the guidance of § 648 of The Insurance Department Act of 1921 (40 P.S. §§ 288), as amended by Act 40 of 1997 (P.L. 349, No. 40). Likewise, this final rulemaking is made pursuant to the Department's rulemaking authority under the Unfair Insurance Practices Act (40 P.S. §§ 1171.1 et seq.) (as such authority is further explained in PALU v. Insurance Department, 371 A.2d 564 (Pa. Cmwlth. 1977)), because the Insurance Commissioner of the Commonwealth of Pennsylvania has determined that the improper disclosure and/or marketing of nonpublic personal financial and health information by members of the insurance industry constitutes an unfair method of competition and an unfair or deceptive act or practice.

### *Comments and Response*

Notice of proposed rulemaking was published at 33 Pa.B. 4917 (October 4, 2003) with a 30-day comment period. During the 30-day comment period, comments were received from the American Council of Life Insurers (ACLI), the American Insurance Association (AIA), the Alliance of American Insurers (AAI) and the Insurance Federation of Pennsylvania, Inc. (IFP). During its regulatory review, the Independent Regulatory Review Commission (IRRC) submitted comments to the Department. The following is a response to the comments that raised concerns with regard to this regulation.

AIA and AAI noted the Department's definition of "customer" used in the proposed rulemaking goes well beyond the parameters of the NAIC Model and effectively applies the data security standards to all types of nonpublic personal information, including information on applicants and claimants with whom the insurers have no continuing business relationship. Similarly, IFP noted that including "consumers," as defined in Chapter 146a, would require insurers to apply the required information security system to individuals that do not have an ongoing relationship with the insurer, including rejected applicants and third party claimants. In addition, IRRC, during its review, questioned why the Department expanded the definitions in this regulation beyond those found in the NAIC Model.

**The Department's intent was not to expand the definition of "customer" beyond the definition found in the NAIC Model. Therefore, upon review of the comments, the Department agrees that the definition of "customer" in this regulation should read as follows:**

**"Either a "customer" as defined in section 2 of chapter 146a of the Department's regulations (31 Pa.Code § 146a.2) or a "consumer" as defined in section 2 of chapter 146b of the Department's regulations (31 Pa.Code § 146b.2)."**

IFP, as noted in its comments on an initial exposure draft of this regulation, again noted its concern that the Department's health privacy regulation provision relating to insurer responsibility for third party service provider misconduct is not clear. IFP proposed that the Department amend the regulation at hand to provide that a licensee would be responsible for third party privacy breaches only if it knowingly played a role in the disclosure or failed to report a disclosure of which it became aware. Although the

Department has attempted to address IFP's concerns by including provisions that utilize a "knew or reasonably should have known" standard for the imposition of penalties and insurers will only be liable for patterns or practices of misconduct by service providers, the IFP seeks further amendment and seeks a bright line standard. The AAI opposes any inclusion of a standard relating to third party service providers.

**The Department believes that Chapters 146b and 146c, especially when read in conjunction with each other, are sufficiently clear with regard to the liability of insurers for violations by third party service providers. In addition, the Department believes that the bright line rule sought by the IFP will be administratively unworkable in that it lacks flexibility, and will not afford sufficient protections for insurance consumers. In addition, the Department does not believe that it is appropriate to attempt to revise or amend its health privacy regulation via this regulation.**

### *Affected Parties*

The final rulemaking will affect all licensed insurers doing the business of insurance in this Commonwealth.

### *Fiscal Impact*

There is no anticipated fiscal impact as a result of the proposed rulemaking. Insurers already need to comply with the Gramm-Leach-Bliley Act and 31 Pa. Code, §§146a.1-146a.44 (relating to Privacy of Consumer Financial Information) and §§146b.1-146b.24 (relating to Privacy of Consumer Health Information). Therefore, most, if not all, of the information security methods required by this regulation should be in place.

### *Paperwork*

There is no anticipated additional paperwork expected as a result of this rulemaking.

### *Effectiveness/Sunset Date*

The rulemaking will become effective \_\_\_\_\_ (Editor's Note: the rulemaking will become effective by the first of the month following 180 days from the publication date of this regulation in final form.). The Department continues to monitor the effectiveness of regulations on a triennial basis; therefore no sunset date has been assigned.

### *Contact person*

Any questions regarding this regulation should be directed to Peter J. Salvatore, Regulatory Coordinator, Office of Special Projects, 1326 Strawberry Square, Harrisburg, PA 17120, phone (717) 787-4429. In addition, questions may be e-mailed to [psalvatore@state.pa.us](mailto:psalvatore@state.pa.us) or faxed to (717) 705-3873.

### *Regulatory review*

Under section 5(a) of the Regulatory Review Act, (71 P.S. §745.5(a)), the agency submitted a copy of this regulation on May 21, 2004 to the Independent Regulatory Review Commission and to the Chairmen of the House Insurance Committee and the Senate Banking and Insurance Committee. In addition to the

submitted regulation, the agency has provided the Commission and the Committees with a copy of a detailed Regulatory Analysis Form prepared by the agency in compliance with Executive Order 1996-1, "Regulatory Review and Promulgation." A copy of that material is available to the public upon request.

In preparing this final form regulation, the Department considered all comments received from IRRC, the Committees and the public. This final form regulation was (deemed) approved by the House and Senate Committees on \_\_\_\_\_. In accordance with section 5a(d) of the Regulatory Review Act (71 P.S. §745.5a(d)), IRRC met on \_\_\_\_\_ and (deemed) approved the regulation in accordance with section 5a(e) of the Regulatory Review Act (71 P.S. §745.5a(e)).

### ***Findings***

The Commissioner finds that:

- (1) Public notice of intention to adopt this rulemaking as amended by this order has been given under sections 201 and 202 of the act of July 31, 1968 (P.L. 769, No240) (45 P.S. §§1201 and 1202) and the regulations thereunder, 1 Pa. Code §§7.1 and 7.2.
- (2) The adoption of this rulemaking in the manner provided in this order is necessary and appropriate for the administration and enforcement of the authorizing statutes.

### ***Order***

The Commissioner, acting under the authorizing statutes, orders that:

- (1) The regulations of the Department, 31 Pa. Code, are amended by adopting §§146c.1-146c.11, to read as set forth in Annex A.
- (2) The Commissioner shall submit this order and Annex A to the Office of General Counsel and Office of Attorney General for approval as to form and legality as required by law.
- (3) The Commissioner shall certify this order and Annex A and deposit them with the Legislative Reference Bureau as required by law.
- (4) The regulation adopted by this order shall take effect immediately.

M. Diane Koken  
Insurance Commissioner

**Annex A**

**TITLE 31. INSURANCE. PART VIII. MISCELLANEOUS PROVISIONS. Chapter  
146c. Standards for Safeguarding Customer Information.**

Sec.

- 146c.1. Purpose.
- 146c.2. Definitions.
- 146c.3. Information security program.
- 146c.4. Objectives of information security program.
- 146c.5. Examples of methods of development and implementation.
- 146c.6. Assess risk.
- 146c.7. Manage and control risk.
- 146c.8. Oversee service provider arrangements.
- 146c.9. Adjust the program.
- 146c.10. Determined violation.
- 146c.11. Effective date.

**§ 146c.1. Purpose.**

This regulation establishes standards:

- (1) For developing and implementing administrative, technical and physical safeguards to protect the security, confidentiality and integrity of customer information, pursuant to Sections 501, 505(b), and 507 of the Gramm-Leach-Bliley Act, codified at 15 U.S.C. 6801, 6805(b) and 6807.
- (2) For ensuring the security and confidentiality of customer records and information.
- (3) To protect against any reasonably anticipated threats or hazards to the security or integrity of such records.

(4) To protect against unauthorized access to or use of records or information that could result in substantial harm or inconvenience to a customer.

(5) That shall apply to nonpublic personal information, including nonpublic personal financial information and nonpublic personal health information.

**§ 146c.2. Definitions.**

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

*Act*--The Insurance Department Act of 1921 (40 P. S. §§ 1--321)

*Customer*—Either a “consumer” or “customer” as defined in section 2 of chapter 146a of the Department’s regulations (31 Pa.Code § 146a.2) or a “consumer” as defined in section 2 of chapter 146b of the Department’s regulations (31 Pa.Code § 146b.2).

*Customer information* – Either “nonpublic personal financial information” as defined in section 2 of chapter 146a of the Department’s regulations (31 Pa.Code § 146a.2) or “nonpublic personal health information” as defined in section 2 of chapter 146b of the Department’s regulations (31 Pa.Code § 146b.2) about a customer, whether in paper, electronic or other form that is maintained by or on behalf of the licensee.

*Customer information systems* - The electronic or physical methods used to access, collect, store, use, transmit, protect or dispose of customer information.

*Department* -- The Insurance Department of the Commonwealth.

*Licensee* –As defined in either section 2 of chapter 146a of the Department’s regulations (31 Pa.Code § 146a.2) or section 2 of the chapter 146b of the Department’s regulations (31 Pa.Code § 146b.2), except that the term shall not include a purchasing group or a nonadmitted

insurer in regard to the surplus lines business conducted pursuant to 40 P.S. §§ 991.1601-991.1625.

Service provider - A person that maintains, processes or otherwise is permitted access to customer information through its provision of services directly to the licensee.

**§146c.3. Information security program.**

Each licensee shall implement a comprehensive written information security program that includes administrative, technical and physical safeguards for the protection of customer information. The administrative, technical and physical safeguards included in the information security program shall be appropriate to the size and complexity of the licensee and the nature and scope of its activities.

**§146c.4. Objectives of information security program.**

A licensee's information security program shall be designed to do each of the following:

- (1) Safeguard the security and confidentiality of customer information.
- (2) Protect against any reasonably anticipated threats or hazards to the security or integrity of the information.
- (3) Protect against unauthorized access to or use of the information that could result in substantial harm or inconvenience to any customer.

**§146c.5. Examples of methods of development and implementation.**

The actions and procedures described in §§ 146c.6 through 146c.9 of this chapter are examples of methods of implementation of the requirements of §§146c.3 and 146c.4 of this

chapter. These examples are non-exclusive illustrations of actions and procedures that licensees may follow to implement §§146c.3 and 146c.4 of this chapter.

**§146c.6. Assess risk.**

The licensee:

(1) Identifies reasonably foreseeable internal or external threats that could result in unauthorized disclosure, misuse, alteration or destruction of customer information or customer information systems.

(2) Assesses the likelihood and potential damage of these threats, taking into consideration the sensitivity of customer information.

(3) Assesses the sufficiency of policies, procedures, customer information systems and other safeguards in place to control risks.

**§146c.7. Manage and control risk.**

The licensee:

(1) Designs its information security program to control the identified risks, commensurate with the sensitivity of the information, as well as the complexity and scope of the licensee's activities.

(2) Trains staff, as appropriate, to implement the licensee's information security program.

(3) Regularly tests or otherwise regularly monitors the key controls, systems and procedures of the information security program. The frequency and nature of these tests or other monitoring practices are determined by the licensee's risk assessment.



**§146c.8. Oversee service provider arrangements.**

The licensee:

- (1) Exercises appropriate due diligence in selecting its service providers.
- (2) Requires its service providers to implement appropriate measures designed to meet the objectives of this regulation, and, where indicated by the licensee's risk assessment, takes appropriate steps to confirm that its service providers have satisfied these obligations.

**§146c.9. Adjust the program.**

The licensee monitors, evaluates and adjusts, as appropriate, the information security program in light of any relevant changes in technology, the sensitivity of its customer information, internal or external threats to information, and the licensee's own changing business arrangements, such as mergers and acquisitions, alliances and joint ventures, outsourcing arrangements and changes to customer information systems.

**§146c.10. Determined violation.**

(a) Violations of sections 146c.3 and 146c.4 of this chapter are deemed and defined by the Commissioner to be an unfair method of competition and an unfair or deceptive act or practice and shall be subject to any applicable penalties or remedies contained in the Unfair Insurance Practices Act (40 P.S. §§1171.1-1171.15).

(b) A licensee has violated this chapter when the licensee knew or reasonably should have known of a pattern of activity or a practice of a service provider that constitutes either a violation

of Chapter 146a, Chapter 146b or this chapter or a material breach of the contract or other arrangement between the licensee and the service provider, unless the licensee took reasonable steps to cure the breach or end the violation, as applicable, and, if such steps were unsuccessful, did the following:

- (1) Terminated the contract or arrangement with the service provider, if feasible.
- (2) If termination is not feasible, reported the violation or breach to the department.

**§146c.11. Effective date.**

Each licensee shall establish and implement an information security program, including appropriate policies and systems pursuant to this regulation within six months from the publication date of this regulation in final form.



COMMONWEALTH OF PENNSYLVANIA  
INSURANCE DEPARTMENT

SPECIAL PROJECTS OFFICE  
1326 Strawberry Square  
Harrisburg, PA 17120

Phone: (717) 787-4429  
Fax: (717) 772-1969  
E-mail: [psalvatore@state.pa.us](mailto:psalvatore@state.pa.us)

May 21, 2004

Mr. Robert Nyce  
Executive Director  
Independent Regulatory Review Comm.  
333 Market Street  
Harrisburg, PA 17101

Re: Insurance Department Final Form Regulation No. 11-215, Standards for Safeguarding  
Customer Information

Dear Mr. Nyce:

Pursuant to Section 5a(c) of the Regulatory Review Act, enclosed for your review and approval is final form regulation 31 Pa. Code, Chapter 146c, Standards for Safeguarding Customer Information.

The purpose of this final rulemaking is to adopt Chapter 146c in order to implement the remaining privacy requirements for nonpublic financial and health information set forth in Title V of the Gramm-Leach-Bliley Act (GLBA) (P.L. 102-106; 15 U.S.C. §§ 6801 *et seq.*) following the Department's implementation of Chapter 146a (Privacy of Consumer Financial Information) and Chapter 146b (Privacy of Consumer Health Information).

If you have any questions regarding this matter, please contact me at (717) 787-4429.

Sincerely yours,

A handwritten signature in cursive script, reading "Peter J. Salvatore".

Peter J. Salvatore  
Regulatory Coordinator

**The Final Form Regulation listed below has been sent to the following:**

<i>Reg #</i>	<i>Regulation Title</i>	<i>Date Sent</i>	<i>05/21/2004</i>
<i>11-215</i>	<i>Standards for Safeguarding Customer Information</i>		
<hr/>			
<i>Mr. Patrick Watts</i>			
<i>Assistant Vice President</i>			
<i>Alliance of American Insurers</i>			
<i>3025 Highland Parkway</i>			
<i>Downers Grove, IL 60515</i>			
		<i>Letter Co-Author</i>	
<i>Phone</i>	<i>(630) 724-2166 X00000</i>	<i>Email</i>	<i>PWatts@allianceai.org</i>
<hr/>			
<i>Mr. C. Bryan Cox</i>			
<i>Senior Legislative Director, State Relations</i>			
<i>American Council of Life Insurers</i>			
<i>101 Constitution Avenue, NW</i>			
<i>Washington, DC 20001</i>			
		<i>Letter Co-Author</i>	
<i>Phone</i>	<i>(202) 624-2452 X00000</i>	<i>Email</i>	<i>bryancox@acli.com</i>
<hr/>			
<i>Mr. J. Stephen Zielezienski</i>			
<i>Associate General Counsel</i>			
<i>American Insurance Association</i>			
<i>1130 Connecticut Ave. NW</i>			
<i>Washington, DC 20036</i>			
		<i>Letter Co-Author</i>	
<i>Phone</i>	<i>(202) 828-7175 X00000</i>	<i>Email</i>	<i>szielezienski@aiadc.org</i>
<hr/>			
<i>Mr. John Doubman</i>			
<i>Secretary and Counsel</i>			
<i>Insurance Federation of Pennsylvania, Inc.</i>			
<i>1600 Market St.</i>			
<i>Philadelphia, PA 19103</i>			
		<i>Letter Co-Author</i>	
<i>Phone</i>	<i>(215) 665-0508 X00000</i>	<i>Email</i>	<i>jdoubman@ifpenn.org</i>

**TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE  
REGULATORY REVIEW ACT**

I.D. NUMBER: 011-215  
 SUBJECT: Standards for Safeguarding Customer Information  
 AGENCY: DEPARTMENT OF INSURANCE

# 2364

**TYPE OF REGULATION**

- Proposed Regulation
- X Final Regulation
- Final Regulation with Notice of Proposed Rulemaking Omitted
- 120-day Emergency Certification of the Attorney General
- 120-day Emergency Certification of the Governor
- Delivery of Tolled Regulation
  - a. With Revisions
  - b. Without Revisions

RECEIVED  
DEPARTMENT OF INSURANCE  
MAY 21 2004

**FILING OF REGULATION**

DATE	SIGNATURE	DESIGNATION
5/21/04	<i>Sheila Eckhart</i>	HOUSE COMMITTEE ON INSURANCE
	<i>CALL SENT 5/21</i>	
5/21/04	<i>[Signature]</i>	SENATE COMMITTEE ON BANKING & INSURANCE
5/21/04	<i>[Signature]</i>	INDEPENDENT REGULATORY REVIEW COMMISSION
		ATTORNEY GENERAL (for Final Omitted only)
		LEGISLATIVE REFERENCE BUREAU (for Proposed only)