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The Honorable Mike Crapo, Chair  
The Honorable Sherrod Brown, Ranking Member  
U. S. Senate Committee on Banking, Housing & Urban Affairs  
534 Dirksen Senate Office Building  
Washington, D.C. 20510

Re: *Request for Feedback on Data Privacy, Protection and Collection*

Dear Chairman Crapo and Ranking Member Brown:

We are writing on behalf of the member companies of the American Council of Life Insurers<sup>1</sup>. Thank you very much for soliciting stakeholder feedback on the collection, use and protection of sensitive consumer information by financial companies and regulators. Life insurance customers have the right to expect their personal information will be kept confidential and secure by life insurers. The life insurance industry has long been the diligent stewards of personal information. Our member companies have managed consumers' sensitive medical and financial information appropriately for over a hundred years, far before personal information became "data" and was monetized by the tech sector. While the proliferation of new technologies and the use of personal data has created a "Wild West" environment for some industries, with limited protection and oversight, it is important to note that the financial service industry has remained strongly committed to properly using and protecting the personal information of our customers.

Life insurers collect, use, and disclose the use of customers' personal information to perform essential life insurance business functions. Examples of this use include underwriting applications for new life, disability income, and long-term care insurance policies and paying claims submitted under these policies. At the same time, our industry is subject to a broad and rigorous regulatory framework, at both the state and federal level, that requires life insurers to protect both privacy of their customers' personal information. We support these laws and regulations and believe that any new proposals in this area should recognize existing obligations applicable to life insurers with regard to the privacy of customer and consumer information.

Life insurance companies also have robust data security programs in recognition of their affirmative obligation to protect the security of their customers' personal information and the information systems on which such information is stored. The life insurance industry supports uniform, clear, and reasonable data security

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<sup>1</sup> *The American Council of Life Insurers (ACLI) advocates on behalf of 280-member companies dedicated to providing products and services that promote consumers' financial and retirement security. 90 million American families depend on our members for life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, dental and vision and other supplemental benefits. ACLI represents member companies in state, federal and international forums for public policy that supports the industry marketplace and the families that rely on life insurers' products for peace of mind. ACLI members represent 95 percent of industry assets in the United States.*

standards and breach notification requirements. Any new law must work within the existing regulatory framework and recognize the unique nature of the insurance sector. Federal law also requires us to tell customers how we collect, share, and protect their personal information. We act as responsible stewards entrusted with safeguarding the data and are required to comply with federal laws such as Gramm Leach Bliley Act (GLBA), Fair Credit Reporting Act (FCRA), and Health Insurance Portability and Accountability Act (HIPAA). We use security measures that comply with federal law to protect our customer's personal information from unauthorized access and use. The ACLI encourages Congress to enact laws that are consistent with existing comprehensive data security requirements.

We believe that financial service industry related privacy laws such as GLBA, and the framework of state laws complementing them, are effective at protecting consumers. At the same time, we acknowledge that evolving technology is creating new privacy and security challenges that may warrant further improvements to GLBA. We must give thoughtful consideration to how any new privacy or security law will affect consumer access to the financial security products that life insurers offer.

Thus, we are hopeful that as the committee considers the important and complex issues related to privacy and security, you continue to keep in mind:

- life insurers' need to collect and use consumers' personal information to perform fundamental insurance business functions;
- the current privacy and data security framework to which life insurers are already subject; and
- the need for uniformity across regulatory platforms so that life insurers' can continue to effectively and efficiently protect the privacy and security of their customers' personal information.

Again, thank you for the opportunity to comment on these important issues and we look forward to working with you as your deliberations continue.

Sincerely,



Alane Dent,  
Senior Vice President, Federal Relations



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