AMENDMENT NO. 2697

By Coburn

To: 5, 1926

Ref: 4

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AMENDMENTS intended to be proposed by Mr. COBURN HIMSELF, AND MR. MCCAIN

Viz:

At the end of section 330 of subtitle C of title III of the Gramm-Leach-Bliley Act, as added by section 202(a), insert the following:

"(c) STATE OPT-OUT-RIGHTS.—

"(1) IN GENERAL.—Any State, as described in section 333(9)(A), may elect not to participate in the Association, and insurance producers doing business in that State shall be subject to all otherwise applicable insurance-related laws, rules, and regulations of that State.

"(2) PROCEDURE.—A State, as described in section 333(9)(A), that elects not to participate in
the Association under paragraph (1) shall do so by enacting legislation indicating such election.

"(3) Effective Date of Opt-Out.—

"(A) In General.—Except as provided in subparagraph (B), the effective date of an election by a State, as described in section 333(9)(A), not to participate in the Association under paragraph (1) is 2 years after the date on which the State enacts legislation under paragraph (2).

"(B) Immediately Effective Opt-Out.—An election by a State, as described in section 333(9)(A), not to participate in the Association under paragraph (1) shall take effect upon the enactment of legislation under paragraph (2) if such legislation is enacted not later than 180 days after the date of enactment of this Act.

"(4) Exclusion of Insurance Producers.—No insurance producer, the home State, as described in section 333(9)(A), of which has made an election not to participate in the Association under paragraph (1), may become a member of the Association.

"(5) Notification of Opt-Out.—A State, as described in section 333(9)(A), that elects not to
participate in the Association under paragraph (1) shall notify the Board and the primary insurance regulatory authority of each State of such election.

"(6) CHANGE IN ELECTION.—

"(A) OPT-IN.—A State, as described in section 333(9)(A), that has elected not to participate in the Association under paragraph (1) may elect to participate in the Association by enacting legislation indicating such election.

"(B) EFFECTIVE DATE OF OPT-IN.—An election by a State, as described in section 333(9)(A), to participate in the Association under subparagraph (A) shall take effect upon the enactment of the legislation indicating such election.

"(C) NOTIFICATION OF OPT-IN.—A State, as described in section 333(9)(A), that has elected to participate in the Association under subparagraph (A) shall notify the Board and the primary insurance regulatory authority of each State of such election.

In section 334 of subtitle C of title III of the Gramm-Leach-Bliley Act, as added by section 202(a), strike paragraph (9) and insert the following:
“(9) STATE.—The term ‘State’—

“(A) means any State, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the Northern Mariana Islands; and

“(B) does not include any State (as described in subparagraph (A)) that has made an election not to participate in the Association under section 330(e)(1).