

Statement

Insurance Association of Connecticut

Joint Committee on General Law

February 24, 2009

SB 838, An Act Concerning Consumer Privacy And Identity Theft

The Insurance Association of Connecticut has a concern with SB 838, An Act Concerning Consumer Privacy And Identity Theft, in that it appears to confer authority for any violation of sections 42-470 and 42-471 to the Department of Consumer Protection.

The insurance industry is subject to the provisions of both 42-470 and 42-471. The insurance industry is licensed and regulated by the Department of Insurance. As such, if an insurer violates any of the provisions of those statutes, or any law, it is already subject to the authority of the Insurance Department. It would appear that SB 838 may cause an insurer to be subject to dual and potentially conflicting regulatory authority.

Furthermore, subdivision (d) of 42-471 specifically confers enforcement authority to Department of Consumer Protection only in those circumstances when the alleged violator is an entity that is not licensed by any other state agency. SB 838 appears to be in direct conflict with provisions of 42-471.

For the above stated reasons, the IAC respectfully requests that SB 838 be amended to clarify that the authority being vested to the Department of Consumer Protection is only to those entities that are not regulated by any other state agency.