

April 6, 2026

Sen. Alison Clarkson, Chair
Committee on Economic Development, Housing and General Affairs
Vermont Senate
115 State Street
Montpelier, VT 05633

RE: NAMIC Testimony Requesting Amendments to H211

Chair Clarkson, esteemed Members of the Committee:

The National Association of Mutual Insurance Companies (NAMIC) is grateful for the opportunity to submit testimony regarding our concerns with H211 as currently drafted.

NAMIC is the foremost trade association representing the property/casualty insurance industry. Serving more than 1,300 member companies - including local and regional insurers as well as some of the nation's largest carriers - NAMIC members collectively write \$467 billion in annual premiums, representing 61% of the homeowners' and 53% of the automobile insurance markets. For more than 130 years, NAMIC has been the leading voice advancing public policy solutions and regulatory frameworks that promote a strong, competitive market and protect our members and their policyholders.

Preserve Single and Certain Standards

Different industries collect, use, and manage data in fundamentally different ways. For this reason, the United States has historically adopted sector-specific privacy and data-use frameworks rather than a single, uniform approach across the entire economy.

In the financial services sector, including insurance, data privacy and security are governed federally by the Gramm-Leach-Bliley Act (GLBA). GLBA establishes a regulatory framework that is specifically tailored to the unique nature of financial institutions' relationships with consumers, as well as the products and services they provide.

Importantly, Title V of GLBA expressly recognizes and preserves the state-based system of insurance regulation. States have implemented GLBA's requirements within their own jurisdictions, including Vermont, which has done so through adoption of NAIC Model # 672 (Privacy of Consumer Financial and Health Information Regulation). Model # 672 not only satisfies GLBA's standards but, in several respects, goes beyond them, appropriately tailoring consumer data protections to the operational realities of the insurance



industry. In addition, state insurance departments enforce industry-specific data breach notification laws, including Vermont's adoption of NAIC Model Law #668 (Insurance Data Security Model Law).

Expanding the scope of new privacy regimes to include entities already subject to GLBA would result in overlapping and duplicative data privacy obligations, creating a layered, inefficient, and costly regulatory structure. Insurers are already subject to comprehensive privacy, data security, and enforcement requirements, and it is important not to unnecessarily complicate compliance for entities operating within an established and well-functioning regulatory framework.

Unintended Consumer Consequences of Mandatory Deletion in Insurance

To accurately evaluate and price risk, the insurance industry relies on the analysis of both general data and policyholder-specific information using actuarially sound methodologies. This analysis is conducted within a framework of comprehensive insurance laws and are subject to continuous oversight by state insurance regulators.

Insurance is fundamentally not a one-time transaction. Insurers assume ongoing risk and make binding commitments to pay future claims if covered losses occur. Certain insurance products involve longer term exposures, where claims may arise many years, or even decades, after the policy period has ended.

In addition, insurers are required to retain policyholder information to satisfy a range of legal and operational obligations, including regulatory compliance, market conduct examinations, claims administration, and potential litigation. These responsibilities often necessitate maintaining records even after a policyholder no longer has active coverage with an insurer.

For these reasons, NAMIC respectfully urges the Committee to amend H211 to explicitly exclude entities and data already subject to the GLBA and Vermont's insurance regulatory framework. Doing so would preserve strong consumer protections while avoiding duplication, regulatory conflict, and unintended consequences for insurers and their policyholders.

Thank you for your consideration.

Sincerely,

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