

1 S.2

2 Introduced by Senator Ashe

3 Referred to Committee on

4 Date:

5 Subject: Insurance; regulatory oversight; information sharing

6 Statement of purpose of bill as introduced: This bill proposes to expand the  
7 Commissioner of Financial Regulation's authority to share information about  
8 financial institutions subject to the Department's jurisdiction with various  
9 state, federal, and international agencies.

10 An act relating to information sharing by the Commissioner of Financial  
11 Regulation

12 It is hereby enacted by the General Assembly of the State of Vermont:

13 Sec. 1. 8 V.S.A. § 22(b) is amended to read:

14 (b) In order to assist in the performance of the Commissioner's duties, the  
15 Commissioner:

16 (1) may share documents, materials, or other information, including  
17 confidential and privileged documents, materials, or other information with  
18 other state, federal, or international regulatory agencies; the National  
19 Association of Insurance Commissioners; the North American Securities  
20 Administrators Association; the International Association of Insurance

1 Supervisors; the Conference of State Bank Supervisors; the National  
2 Association of State Credit Union Supervisors; self-regulatory organizations  
3 organized under 15 U.S.C. §§ 78f, 78o-3 and 78q-1; other self-regulatory  
4 organizations and their affiliates or subsidiaries; and with state, federal, and  
5 international law enforcement authorities, provided that the recipient agrees to  
6 maintain the confidentiality and privileged status of the document, material, or  
7 other information;

8 (2) may receive documents, materials, or information, including  
9 otherwise confidential and privileged documents, materials, or information,  
10 from other state, federal, and international ~~regulatory~~ agencies; the National  
11 Association of Insurance Commissioners; the North American Securities  
12 Administrators Association; the International Association of Insurance  
13 Supervisors; the Conference of State Bank Supervisors; the National  
14 Association of State Credit Union Supervisors; self-regulatory organizations  
15 organized under 15 U.S.C. §§ 78f, 78o-3 and 78q-1; other self-regulatory  
16 organizations and their affiliates or subsidiaries; and from state, federal, and  
17 international law enforcement authorities; and shall maintain as confidential or  
18 privileged any document, material, or information received with notice or the  
19 understanding that it is confidential or privileged under the laws of the  
20 jurisdiction that is the source of the document, material, or information;

1           (3) may enter into agreements governing sharing and use of information  
2 consistent with this section; and

3           (4) shall determine, prior to sharing information about an individual  
4 pursuant to subdivision (1) of this subsection, that sharing the information will  
5 substantially further the performance of the regulatory or law enforcement  
6 duties of the recipient.

7       Sec. 2. 8 V.S.A. § 11505 is amended to read:

8       § 11505. COOPERATIVE AND OTHER AGREEMENTS

9           (a) The Commissioner may enter into cooperative, coordinating, and  
10 information-sharing agreements with any other governmental agency, the  
11 Federal Home Loan Bank, or any organization affiliated with or representing  
12 one or more governmental agencies with respect to the periodic examination or  
13 other supervision of any activity, branch, agency, office, or location in this  
14 State of a state financial institution, or any activity or branch of a Vermont  
15 financial institution located in any host state. Such agreements may be used to  
16 resolve conflicts arising from inconsistent regulatory requirements and to  
17 specify the manner in which any application process under section 15201 or  
18 15202 of this title shall be coordinated.

19           (b) Agreements under this section may also be entered with nonbank  
20 regulatory agencies on matters affecting financial institutions organized or  
21 doing business in this State.

1       Sec. 3. 8 V.S.A. § 30605 is amended to read:

2       § 30605. COOPERATIVE AND OTHER AGREEMENTS

3           (a) The Commissioner may enter into cooperative, coordinating, and  
4       information-sharing agreements with any other governmental agency, the  
5       Federal Home Loan Bank, or any organization affiliated with or representing  
6       one or more governmental agencies with respect to the periodic examination or  
7       other supervision of any activity, office, or location in this State of a state  
8       credit union, or any activity or office of a Vermont credit union located in any  
9       host state. Such agreements may be used to resolve conflicts arising from  
10      inconsistent regulatory requirements and to specify the manner in which any  
11      application process under section 33102 or 33103 of this title shall be  
12      coordinated.

13          (b) Agreements under this section may also be entered with any other  
14      regulatory agencies on matters affecting any credit union organized or doing  
15      business in this State.

16      Sec. 4. EFFECTIVE DATE

17          This act shall take effect on passage.