

1 S.2

2 Introduced by Senator Ashe

3 Referred to Committee on Finance

4 Date: January 10, 2017

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-1₂; 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 agencies₂; the National
11 Association of Insurance Commissioners₂; the North American Securities
12 Administrators Association₂; 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-1₂; other self-regulatory
16 organizations and their affiliates or subsidiaries; and from state, federal, and
17 international law enforcement authorities₂; and shall maintain as confidential
18 or privileged any document, material, or information received with notice or
19 the understanding that it is confidential or privileged under the laws of the
20 jurisdiction that is the source of the document, material, or information;

21 (3) may enter into agreements governing sharing and use of information

1 consistent with this section; and

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

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

7 § 11505. COOPERATIVE AND OTHER AGREEMENTS

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

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

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

1 § 30605. COOPERATIVE AND OTHER AGREEMENTS

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

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

15 Sec. 4. EFFECTIVE DATE

16 This act shall take effect on passage.