
This act summary is provided for the convenience of the public and members of the General Assembly. It is intended to provide a general summary of the act and may not be exhaustive. It has been prepared by the staff of the Office of Legislative Counsel without input from members of the General Assembly. It is not intended to aid in the interpretation of legislation or to serve as a source of legislative intent.

Act No. 139 (H.515). Banking; insurance; captive insurance; securities

An act relating to banking, insurance, and securities

This act makes various technical amendments to Vermont’s banking, insurance, and securities laws. In addition, the act makes several substantive changes to Vermont law, as follows. First, the act requires licensees to register virtual currency kiosks with the State and imposes on them disclosure requirements similar to those applied to ATMs under current law. Second, the act allows certain insurers to offer rebates to consumers if those rebates constitute “value-added products and services” that relate to the insurance coverage and also benefit both the consumer and the insurer. Third, it reduces the minimum statutory interest rate to 0.15 percent under the standard nonforfeiture law that applies to deferred annuities. Fourth, it enacts a regulatory scheme specific to travel insurance. Fifth, it makes several changes to captive insurance law relating to the following topics: the reporting of premium tax reconciliations, delinquency proceedings against protected cells within a sponsored captive insurance company, insurance of unaffiliated entities within a protected cell, reporting requirements specific to sponsored captive insurance companies, and authority to enter into parametric contracts. Sixth, it enacts the Vermont Insurance Data Security Law. Seventh, it enacts the Vermont Whistleblower Award and Protection Act. Eighth, it authorizes the Commissioner of Financial Regulation to update its credit for reinsurance rules to comply with federal and NAIC accreditation standards. Finally, the act requires the Department of Financial Regulation, in consultation with the Public Utility Commission, to develop a guidance document that includes recommendations related to standard insurance requirements and measures applicable to Internet service providers that ensure adequate coverage is in force for the duration of broadband construction projects in Vermont.

Effective Date: May 27, 2022