

# House Committee on Commerce and Economic Development

January 12, 2023

Overview of Vermont Bankers Association and  
Banking Industry



## Summary Items to Discuss

Introduction of the VT Bankers Association and  
Summary of the Banking Industry

Working with the House Commerce Committee



# Vermont Bankers Association and Banking Industry

- \* Membership based trade organization representing the banking industry in VT
- \* Advocacy, education, products and services
- \* 25 member banks: 7 state charter, 18 national charter
- \* \$80 million to \$10 billion plus in assets
- \* VT based, but also NH, ME, MA and NY
- \* 2 independent trust companies
- \* 240 branches, 2,800 plus employees
- \* Average wage of just over \$48,000
- \* Extensive range of benefit packages

The banking industry is one of the most heavily regulated industries in the marketplace, like insurance and health care.

Regulations exist both at the state and federal level. The regulations that banks are subject to fall mostly into two categories - deposit regulations and lending regulations.

However, banks are also subject to an array of miscellaneous regulations/laws that run a broad spectrum from consumer protection, privacy and Service Member protection.

A financial institution's primary regulator is responsible for: supervising, monitoring, inspecting, and examining the financial institution to ensure that it is complying with rules and regulations, and that it is operated in a safe and sound manner.



## Who are the regulators

Vermont Department of Financial Regulation

Federal Deposit Insurance Corporation (FDIC)

Federal Reserve Bank (FRB)

Office of the Comptroller of the Currency (OCC)

Consumer Federal Protection Bureau (CFPB)

Federal Financial Institutions Examination Council (FFIEC)

Securities and Exchange Commission (SEC)

Federal Trade Commission (FTC)



State and Federal Laws - Enacted by the Legislature  
or Congress

Supervisory Guidance - Issued by Regulators/Gov.  
Agencies

- Official Interpretations

- Compliance Guides

- Interagency Statements

- Financial Institution Letters (FILs)

- Advisories

- Supervisory Highlights

- Enforcement Actions



## What does this mean for the Commerce Committee, why is Chris D'Elia here?

- \* Commerce is the Committee of jurisdiction in the House
- \* You work on statutes that regulate the industry
- \* Title 8, specific to VT chartered banks
- \* Title 9 (consumer protection), specific to all banks
- \* That said, all committees can impact banking depending on the bill
- \* Who is Chris D'Elia
- \* My role is that of a lobbyist, an advocate who works with the legislature to develop good public policy on behalf of the industry and our customers
- \* I also work with legislators to address specific constituent problems

# Changing World of Banking, Examples of Fintech Companies

## ▶ Lending

Lending Club	Kabbage	Prosper	OnDeck	Affirm
Borro	Earnest	Lighter Capital		RocketMortgage

## ▶ Personal Finance

Credit Karma	Mint	OnTrees	HelloWallet	Payoff
CoverHound	BillGuard	Smartasset		

## ▶ Payments

Square	Stripe	WEPAY	Venmo	Braintree
Zelle	Protean	Tyro	iZettle	

## ▶ Equity Financing

CircleUp	EquityNet	Seedinvest	Crowdfunder	Gust
Exitround	Loyal3			



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