

HOUSE BILL No. 2097

AN ACT relating to banks and trust companies; concerning the exchange of certain examinations and reports; amending K.S.A. 9-1303 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 9-1303 is hereby amended to read as follows: 9-1303. (a) The state bank commissioner is hereby authorized to accept any report of examination of a state bank or trust company made ~~within a reasonable period~~ by the federal deposit insurance corporation or its successor, ~~or by the federal reserve bank or by the certified public accountant or independent auditor auditing the accounts of any bank or trust company insured by a private insurer, as authorized under the provisions of this act,~~ but only one such report of examination shall be accepted in lieu of any examination required by this act in any one calendar year. The commissioner also may accept any report obtained by the *federal deposit insurance corporation*; ~~or the federal reserve bank or private insurer~~ *within a reasonable time* relative to the condition of any bank or trust company in lieu of any report required by this act.

(b) The commissioner shall furnish to the *federal deposit insurance corporation* ~~or private insurer~~, or to any officer or examiner thereof, a copy of any or all examination reports made by the commissioner, or the commissioner's examiners, of any bank or trust company insured by ~~the such corporation or insurer~~. The commissioner may disclose to the *federal deposit insurance corporation* ~~or private insurer~~, or any official or examiner thereof, any and all information contained in the commissioner's office concerning the condition ~~of affairs~~ of any bank or trust company insured by such corporation ~~or insurer~~.

(c) The commissioner may disclose to the federal reserve bank, office of the comptroller of currency, the federal home loan bank, ~~and~~ other state bank ~~regulatory agencies~~, *trust company* and savings and loan regulatory agencies, ~~the office of thrift supervision, and the financial crimes enforcement network~~, or any officer or examiner thereof, any and all information contained in the commissioner's office concerning the condition ~~of affairs~~ of any bank or trust company.

(d) The commissioner may furnish to the state treasurer a copy of any or all examination information relating specifically to apparent violations of the uniform unclaimed property act, K.S.A. 58-3934 through 58-3978, and amendments thereto.

(e) The commissioner, by agreement, may establish an information sharing and exchange program with a functional regulatory agency that has overlapping regulatory jurisdiction with the department, with respect to all or part of an affiliated group that includes a financial institution, to reduce the potential for duplicative and burdensome filings, examinations and other regulatory activities. Each agency party to such an agreement shall agree to maintain confidentiality of information that is confidential under applicable statute or federal law and to take all reasonable steps to oppose any effort to secure disclosure of the information by such agency.

(f) Disclosure of information by or to the commissioner pursuant to this section shall not constitute a waiver of or otherwise affect or diminish a privilege to which the information is otherwise subject, whether or not the disclosure is governed by a confidentiality agreement.

(g) As used in this section: (1) "Affiliated group" means two or more persons affiliated through common ownership or a contractual common undertaking involving the sharing of customer information among such persons;

(2) "agency" means a department or agency of this state, another state, the United States or any related agency or instrumentality;

(3) "functional regulatory agency" means an agency that regulates ~~and~~ charters, licenses or registers persons engaged in activities that are financial in nature, incidental to financial activities, or complementary to financial activities, as those terms are used in the Gramm-Leach Bliley act of 1999 (P.L. 106-102), including activities related to banking, insurance or securities, within the jurisdiction of the agency;

(4) "privilege" includes any work product, attorney client or other privilege recognized under federal or state law.

(h) Nothing in this act shall be construed to limit the powers of the commissioner with reference to examinations and reports required by this act.

Sec. 2. K.S.A. 9-1303 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the HOUSE, and passed that body

Speaker of the House.

Chief Clerk of the House.

Passed the SENATE _____

President of the Senate.

Secretary of the Senate.

APPROVED _____

Governor.