

SENATE BILL NO. 449

BY SENATOR MARTINY

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AN ACT

To amend and reenact R.S. 6:284.1(B) and 336, relative to state banks; to provide for compliance review; to provide for privilege of results of the compliance review; to provide for evidence in court or administrative proceedings; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 6:284.1(B) and 336 are hereby amended and reenacted to read as follows:

§284.1. Compliance review committees; privilege created

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B. Notwithstanding any other provision of law to the contrary, the results of any such self-evaluation, self-assessment, self-testing, or self-correction, and any notes, reports, or work product derived therefrom, whether prepared by internal personnel or outside attorneys, accountants, third-party service providers, or consultants, shall be deemed privileged for all purposes and shall not be subject to discovery and shall not be admissible as evidence, unless specifically agreed to by the FDIC-insured financial institution, holding company, subsidiary, or affiliate, in any private, public, or administrative civil action brought against the FDIC-insured financial institution, its holding company, subsidiaries, or affiliates bank alleging noncompliance with or violation of applicable state and federal banking laws and regulations.

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§336. Legal and regulatory compliance; self-evaluations; privilege of results

A. It is the intent of the legislature to encourage ~~banks and other financial~~

1 ~~institutions~~ **FDIC-insured financial institutions, their holding companies,**
 2 **subsidiaries, and affiliates** to engage in self-evaluations, self-assessments, self-
 3 testing, and self-corrections with respect to compliance with applicable state and
 4 federal banking laws and regulations. To that end, and notwithstanding any other
 5 law to the contrary, the results of any such self-determination, self-assessment, self-
 6 testing, or self-corrections, and any notes, reports, or work product derived
 7 therefrom, whether prepared by internal personnel or by outside attorneys,
 8 accountants, **third-party service providers**, or consultants, shall be deemed
 9 privileged for all purposes and shall not be subject to discovery **and shall not be**
 10 **admissible as evidence, unless specifically agreed to by the FDIC-insured**
 11 **financial institution, its holding company, subsidiary, or affiliate**, in any private,
 12 **public, or administrative** civil action brought against the ~~bank or other financial~~
 13 ~~institution~~ **FDIC- insured financial institution, holding company, subsidiaries,**
 14 **or affiliates** alleging noncompliance with or violation of such applicable state and
 15 federal banking laws and regulations.

16 **B.(1) The submission by any FDIC-insured financial institution of any**
 17 **information to any federal banking agency or bureau, including but not limited**
 18 **to the Consumer Financial Protection Bureau, or to the commissioner of the**
 19 **office of financial institutions, or to any other state agency or department, for**
 20 **any purpose in the course of any supervisory, regulatory, or enforcement**
 21 **process of such agency, bureau, commissioner, or state agency or department,**
 22 **shall not be construed as waiving, destroying, or otherwise affecting any**
 23 **privilege the FDIC-insured financial institution may claim with respect to such**
 24 **information under federal or state law as to any person or entity other than**
 25 **such agency, bureau, commissioner, or state agency or department.**

26 **(2) The provisions of Paragraph (1) of this Subsection shall not be**
 27 **construed as implying or establishing either of the following:**

28 **(a) That any FDIC-insured financial institution waives any privilege**
 29 **applicable to information that is submitted or transferred under any**
 30 **circumstances to which Paragraph (1) of this Subsection does not apply.**

1 (b) That any FDIC-insured financial institution would waive any
2 privilege applicable to any information by submitting the information to any
3 federal banking agency or bureau or the commissioner of the office of financial
4 institution, but for the provisions of this Section.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____