

1 HOUSE BILL NO. 162

2 INTRODUCED BY T. WELCH

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING BANKING LAWS TO ALLOW THE DEPARTMENT TO
5 FURNISH EXAMINATION REPORTS TO A FEDERAL HOME LOAN BANK AND A FEDERAL RESERVE BANK;
6 AND AMENDING SECTIONS 32-1-234 AND 32-3-207, MCA."

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8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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10 **Section 1.** Section 32-1-234, MCA, is amended to read:

11 **"32-1-234. Confidentiality -- penalties.** (1) (a) Reports and statements under 32-1-211, 32-1-215,
12 32-1-216, 32-1-231, 32-1-232, and 32-1-233 are confidential. Except for information made public by the federal
13 deposit insurance corporation or other federal banking authority's publicly accessible website, any information
14 contained in the reports and statements, the source documents from which this information is derived, and
15 communications concerning reports and statements are confidential. Except as provided in subsection (1)(b),
16 confidential information may not be disclosed to persons who are not officially associated with the department
17 and may be used by the department only to further its official duties.

18 (b) The department may exchange information with federal financial institution regulatory agencies and
19 with the financial regulatory departments of other states. The department may furnish reports of its examination
20 findings under 32-1-211, 32-1-215, and 32-1-216 to a federal home loan bank, as defined in the Federal Home
21 Loan Bank Act of 1932, 12 U.S.C. 1422. The department may furnish information to the legislative auditor for use
22 in pursuit of official duties. A prosecuting official may obtain the information by court order.

23 (2) Any knowledge or information gained or discovered by the department in pursuance of its powers
24 or duties is confidential information of the department. The information may not, except as provided in subsection
25 (1)(b), be disclosed to any person not officially associated with the department. The information must be used
26 by the department only to further its official duties.

27 (3) An employee or agent of the department who violates this section or willfully makes a false official
28 report as to the condition of a bank must be removed from office and is also guilty of a felony. Upon conviction,
29 the person shall be fined an amount not exceeding \$1,000, imprisoned in a state correctional facility for a term
30 not exceeding 5 years, or both."

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2 **Section 2.** Section 32-3-207, MCA, is amended to read:

3 **"32-3-207. Confidentiality -- penalties.** (1) (a) Any report of examination issued under 32-3-203, any
4 report made by a credit union under 32-3-202, and any other credit union documentation maintained by the
5 department of administration, other than those reports that are required to be published, must be considered
6 confidential information. ~~The~~ Except as provided in subsection (1)(b), confidential information may not be
7 imparted to persons who are not officially associated with the department, and the information contained in the
8 reports and statements may be used by the department only in the furtherance of its official duties.

9 (b) The department may exchange information with federal credit union regulatory agencies, a federal
10 reserve bank, and with the financial regulatory departments of other states. The department may furnish reports
11 of its examination findings under 32-3-203 to a federal home loan bank, as defined in the Federal Home Loan
12 Bank Act of 1932, 12 U.S.C. 1422. The department may furnish information to the legislative auditor for use in
13 pursuit of official duties. A prosecuting official may obtain the information by court order.

14 (2) Any knowledge or information gained or discovered by the department in pursuance of its powers
15 or duties is confidential information of the department. The information may not, except as provided in subsection
16 (1)(b), be imparted to any person not officially associated with the department. The information may be used by
17 the department only in the furtherance of its official duties.

18 (3) An employee or agent of the department who violates this section or willfully makes a false official
19 report as to the condition of a credit union is guilty of a felony and must be removed from office. Upon conviction,
20 the person shall be fined an amount not exceeding \$1,000, be imprisoned in a state correctional facility for a term
21 not exceeding 5 years, or both."

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