OCC Reaches Agreement with Seven More State Insurance Departments

The Office of the Comptroller of the Currency (OCC) recently signed separate agreements with state insurance regulators of Alabama, Arizona, Arkansas, Connecticut, Indiana, Maryland, and West Virginia to share information about customer complaints that may arise in connection with sales of insurance by banks. The OCC now has agreements with 16 state insurance regulators. Negotiations with three other state regulators are completed and signed agreements are anticipated in the near future.

The OCC and state insurance departments share a common interest in insurance sales activities by national banks, said Comptroller John D. Hawke, Jr. We are pleased to have 16 agreements in place and anticipate other agreements for further cooperative efforts and communication between the OCC and state insurance officials. These agreements enhance consumer protection and assure compliance with appropriate insurance sales standards.

The Agreements in Principle result from discussions between the OCC and the National Association of Insurance Commissioners (NAIC) and are based on the model agreement approved by the NAIC at its 1999 Summer National Meeting in Kansas City, Missouri.

The agreements call for the OCC to forward to the insurance departments a copy of any complaint that it receives relating to the sale of insurance products in the state by a national banking company. The insurance departments will forward a copy of any complaint they receive involving a national banking company to the OCC. The complaints will be forwarded to the other agency as soon as practicable after receipt of the complaint. Except for a legitimate regulatory or supervisory purpose, confidentiality of all shared information will be maintained. The 16 agreements between the OCC and the individual state insurance departments also call for the agencies to communicate with each other on matters of common interest, such as regulatory and policy initiatives.

We are pleased that seven additional states have entered into these cooperative agreements with the OCC, said Julie L. Williams, OCC Chief Counsel. We look forward to continuing and expanding cooperative efforts with the NAIC and to entering into similar agreements with other states.

Samuel P. Golden, OCC Ombudsman, signed the agreements on behalf of the OCC. The Customer Assistance Group, headed by Mr. Golden, will implement the agreements with the insurance departments.

In addition to these seven states, the OCC has agreements with Delaware, Kansas, Kentucky, Louisiana, Maine, North Carolina, North Dakota, Oklahoma, and Pennsylvania.
These agreements do not restrict, enlarge, or otherwise modify any of the respective agencies jurisdictions.

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The OCC charters, regulates and examines approximately 2,600 national banks and 66 federal branches and agencies of foreign banks in the United States, accounting for 58 percent of the nation’s banking assets. Its mission is to ensure a safe, sound and competitive national banking system that supports the citizens, communities and economy of the United States.