

## 1 HOUSE BILL NO. 432

2 INTRODUCED BY T. BERRY

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4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING BANKS TO OFFER DEBT CANCELLATION OR  
5 SUSPENSION PROGRAMS IF AUTHORIZED BY THE DEPARTMENT OF ADMINISTRATION; REQUIRING  
6 THE DEPARTMENT TO ADOPT RULES GOVERNING DEBT CANCELLATION AND SUSPENSION  
7 PROGRAMS; PROVIDING THAT DEBT CANCELLATION AND SUSPENSION PROGRAMS OFFERED BY  
8 BANKS ARE NOT INSURANCE PRODUCTS SUBJECT TO THE MONTANA INSURANCE CODE; AND  
9 AMENDING SECTION 32-1-429, MCA."

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

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13 **Section 1.** Section 32-1-429, MCA, is amended to read:14 **"32-1-429. Insurance activities -- exemption -- rulemaking.** (1) A bank or a bank's subsidiary or  
15 affiliate may:16 (a) except for title insurance, sell insurance of all types, including annuities, credit life insurance, and  
17 disability insurance; and18 (b) act as an insurance producer, adjuster, consultant, or administrator as defined in Title 33, chapter  
19 17.20 (2) A bank or a bank's subsidiary or affiliate that engages in insurance activities authorized in subsection  
21 (1) is subject to the provisions of Title 33.22 (3) A bank or bank's subsidiary or affiliate may, upon application to and approval by the department  
23 pursuant to 32-1-362, offer debt cancellation and suspension programs. Debt cancellation or suspension  
24 programs offered pursuant to this subsection are not insurance products subject to the provisions of Title 33. The  
25 department shall adopt rules to implement this subsection that must be substantially equivalent to or more  
26 stringent than federal laws, regulations, and regulatory guidelines that are applicable to debt cancellation or  
27 suspension programs offered by national banks."

28 - END -