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NEWS RELEASE

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IDAHO FINANCE DEPARTMENT APPLAUDS U. S. SENATE BANKING COMMITTEE'S PASSAGE OF FINANCIAL SERVICES REGULATORY RELIEF

IDAHO SENATOR MIKE CRAPO PRAISED FOR HIS LEADERSHIP ROLE IN AUTHORIZING LEGISLATION TO PROMOTE REGULATORY RELIEF

Boise, Idaho This week the U.S. Senate Banking Committee approved legislation that would reduce the regulatory burden on banks, thrift institutions and credit unions in Idaho and nationwide. The financial institutions industry is among the most heavily regulated industries in the country. Reducing the burden of unnecessary or outdated government regulation would allow financial institutions to shift their resources from complying with these regulations, to make more small business, consumer and housing loans, enhancing economic development and returning money to consumers in the form of reduced fees.

Gavin Gee, Director of the state Department of Finance, applauded the Committee's action after working with Congress for several years on regulatory relief efforts. Gee testified at a March hearing before the U.S. Senate Banking Committee, chaired by Idaho Senator Mike Crapo, in support of the proposed legislation. Gee stated, "We are very pleased that the Senate Banking Committee has approved legislation that will provide much needed financial services regulatory relief. We urge the full Senate to pass the Financial Services Regulatory Relief Act of 2006 as expeditiously as possible."

Gee also praised the leadership role that Senator Mike Crapo has played in this effort. "Senator Crapo's outstanding leadership on financial services regulatory relief in the U.S. Senate has produced this much needed legislation, which we fully support. We applaud Senator Crapo for his significant work and primary leadership role in this important effort, which will benefit all Idaho financial institutions and their customers."

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PROTECTING THE INTEGRITY OF IDAHO FINANCIAL MARKETS SINCE 1905

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The bill contains 56 provisions providing some form of financial services regulatory relief. Those provisions include:

- Increasing the regulatory examination cycles for certain well capitalized, well managed community banks from 12 months to 18 months.
- Requiring federal bank regulatory agencies to review, every five years, the financial condition reports required of financial institutions to delete any items that are no longer relevant.
- Requiring federal regulatory agencies to finalize customer privacy notice proposals that would simplify the disclosures and make them more readable and understandable.
- Allowing credit unions to help the unbanked in our financial system by authorizing them to provide basic check cashing and wire transfer services to anyone in their field of membership.
- Strengthening the state banking regulatory system by giving state regulators a vote on the Federal Financial Institutions Examination Council and recognizing the Nationwide Cooperative Agreements to enhance the supervision of multi-state state chartered banks.

For reference, the following is a link to a section by section summary of the bill:

http://www.csbs.org/Content/NavigationMenu/LegislativeAffairs/Summaries/Analysis_of_Regulato.htm.



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