

H.402 An Act Relating to Authorizing the Vermont Able Savings Program

Current 4.15.15

Treasurer's Office Edit of Vermont Bankers Association proposed language:

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Definition of "Financial Organization"

"Financial Organization" means an organization authorized to do business in the State of Vermont and is:

- (1) Licensed or chartered by the Vermont Department of Financial Regulation;
- (2) Licensed or chartered by the Banking Division of the Vermont Department of Financial Regulation;
- (3) Chartered by an agency of the federal government; or
- (4) Subject to the jurisdiction and regulation of the Securities and Exchange Commission of the federal government.

The Treasurer may implement the program through use of financial ~~institutions~~ organizations as account depositories and managers. The Treasurer may solicit proposals from financial ~~institutions~~ organizations to act as depositories and managers of the program. Financial ~~institutions~~ organizations submitting proposals shall describe the investment instruments which will be held in accounts. The Treasurer may select more than one financial ~~institution~~ organization and investment instrument for the program. The Treasurer shall select financial ~~institutions~~ organizations to act as program depositories and managers from among the bidding financial ~~institutions~~ organizations that demonstrate the most advantageous combination, both to potential program participants and this state of the following criteria:

- (1) The financial stability and integrity of the financial ~~institutions~~ organizations;
- (2) The safety of the investment instrument being offered;
- (3) The ability of the financial ~~institution~~ organization to satisfy recordkeeping and reporting requirements;

- (4) The financial ~~institution's~~ organization's plan for promoting the program and the investment the ~~institution~~ organization is willing to make to promote the program;
- (5) The fees, if any, proposed to be charged to the account owners;
- (6) The minimum initial deposit and minimum contributions that the financial ~~institution~~ organization will require;
- (7) The ability of the financial-~~institution~~ organization to accept electronic withdrawals, including payroll deduction plans; and
- (8) Other benefits to the state or its residents included in the proposal, including fees payable to the state to cover expenses of operation of the program.