



**Department of Financial Institutions 2024
Indiana General Assembly Legislation of Interest Summary**

The following is a summary of legislation adopted by the 2024 Indiana General Assembly which may interest the Indiana Department of Financial Institutions (“DFI”), its constituencies, staff, and Members. For additional information regarding any bill, the complete list of all legislation enacted or considered by the 2024 Indiana General Assembly may be found [here](#).

On March 11, 2024, Governor Holcomb signed SEA 220, the financial institutions and consumer credit bill, authored by Senators Bassler and Deery, co-authored by Senator Baldwin, and sponsored by Representatives Teshka and Speedy, into law. The bill includes updated references to federal and state laws and modernization efforts. SEA 220 is effective on July 1, 2024.

The below summary is not an exhaustive review of the bills, and interested parties are encouraged to review all provisions of the legislation and the newly enacted statutes in greater detail. While this publication intends to provide DFI-regulated industries, trade associations, attorneys, and the public with an overview of recently enacted legislation over which the DFI has regulatory and administrative authority, businesses are encouraged to seek legal counsel with questions regarding how the new laws may impact a particular business model or product.

Summary of SEA 220 – DFI Omnibus Bill

1. Miscellaneous - Federal law reference update. The first provision of SEA 220 updates the federal law that is applicable when referenced in state law. This is in the DFI bill every year.
 - Applies to: portions of Title 24 and 28
 - Statutory references: I.C. 24-4.4, I.C. 24-4.5, I.C. 28-10
2. Financial Institution Reporting Requirements for a Computer Security Incident. SEA 220 includes disclosure requirements to the DFI for financial institutions when there is a security breach, as consistent with reporting requirements to the institution’s federal regulator. Federal insurers (FDIC and NCUA), have reporting requirements that depositories are required to follow when there is a notification incident, which is also known as a reportable cyber incident. After June 30, 2024, depositories are required to notify the DFI of an incident the same as they are their federal insurer. In the absence of a federal insurer, such as a privately insured credit union, the entity is expected to follow the NCUA definition of a reportable incident.
 - Applies to: Indiana chartered financial institutions
 - Statutory references: I.C. 28-10-3

3. Updating the discontinued ALLL GAAP accounting standard terminology in the credit union act to the new ACL GAAP terminology. SEA 220 also updates terminology in I.C. 28-7 to reflect the current acceptable GAAP standards for credit unions. The Financial Accounting Standards Board (FASB) issued ASU 2016-13 (CECL) to amend its guidance on the impairment of financial instruments, which became effective in 2022 for SEC-registered companies and 2023 for all other companies. The references in the credit union act to the allowance for loan and lease losses became outdated at the end of 2023 and were no longer consistent with GAAP or regulatory standards. SEA 220 updates the language in the credit union act of the Indiana Code to make it consistent with the new ACL GAAP standards.
 - Applies to: credit unions
 - Statutory references: IC 28-7

Other Bills of Interest

1. [HEA 1084 Privacy of firearms financial transactions](#). Prohibits a governmental entity or any other person from knowingly or willfully keeping any list, record, or registry of a privately owned firearm, or the owners of firearms with respect to Indiana consumers. Provides that in a payment card transaction, a merchant acquirer or a payment card network may not assign, or require the assignment of a firearms code in a way that distinguishes a firearms retailer with at least one physical location in Indiana from general merchandise retailers or sporting goods retailers. Prohibits a financial services provider from declining or otherwise refusing to process a lawful payment card transaction based solely on the assignment or nonassignment of a firearms code to the payment card transaction. Prohibits a financial services provider from disclosing a financial record that is related to a payment card transaction and includes protected financial information, including a firearms code used, collected, or assigned in violation of the bill's provisions. Provides that the applicable primary financial regulator with jurisdiction over a financial services provider subject to the bill's provisions is responsible for enforcing the financial services provider's compliance with those provisions. Provides that, with respect to any person that is not a financial services provider subject to regulation by a financial regulator, the attorney general is responsible for enforcing the bill's prohibition against knowingly or willfully keeping any list, record, or registry of privately owned firearms or the owners of firearms.
2. [HEA 1284 Deposit Account Agreements](#). Provides that a deposit account agreement between a depository financial institution and a depositor may be changed or amended from time to time, subject to the terms of the deposit account agreement. Provides that a depositor's continued maintenance of a deposit account after the effective date of any change or amendment to the deposit account agreement, as described in a written notice from the depository financial institution, constitutes prima facie evidence of the depositor's intent to accept the change or amendment.
3. [SEA 180 Central Bank Digital Currency](#). Prohibits a governmental body from: (1) accepting payment made with a central bank digital currency; or (2) requiring payment to be made with a central bank digital currency; for any service, tax, license, permit, fee, information, or other amount due the governmental body. Prohibits an administrative branch governmental body (defined as an entity of the administrative branch of state government) from advocating for or supporting the testing, adoption, or implementation of a central bank digital currency by the United States government.
4. [SEA 188 Actions on Deposit Accounts](#). Provides that an action upon a deposit account must be commenced not later than two years (instead of six years under current law) after the cause of action accrues, regardless of whether the action is brought by a depositor or a depository institution.