

Banking Committee, Connecticut General Assembly
State of Connecticut , Legislative Office Building
Hartford, CT 06106

HB 5316

Mr. Chairman and Members of the Banking Committee:

Thank you for allowing me to appear before you to ask you to incorporate an amendment to HB 5316, and to recommend its enactment by the full House and Senate. I speak for myself and, I am sure, other citizens who have entrusted their savings deposit accounts with banks doing business in Connecticut.

As I understand it, at present savings accounts which show no activity for three consecutive years, escheat to the State. I know this at first hand as I have received a letter from a Connecticut bank in which I had an account, advising me to *immediately* perform a transaction with my account lest the money in my account would be forfeited to the State. I am a shareholder in the same bank and had been motivated to deposit money with them to help back their local loan activity. The bank's letter alerted me to the possible loss of my savings.

Bear in mind, that many senior citizens establish savings accounts for the sole purpose of having funds available to assure the payment of funeral and burial expenses. Many of these citizens are in subsidized situations where their saving must be very limited to allow them such housing. Moreover, young people, now with increasing frequency are setting aside modest saving accounts as "rainy day funds" in the event that they encounter unexpected financial emergencies. I need not tell how important such a fund might be to young people to draw upon in the next few daunting years.

I propose the following be added to HB 5316:

- Every savings depositor must be given a brief, simply written explanation of why and how such accounts can escheat to the State; and, how such an event can be prevented.
- That the elapsed time of the account inactivity presently fixed at three years be extended to five years for escheatment to be enforced.
- That the depositor whose account is in jeopardy of being escheated to the State, must receive written notification from the bank of possible escheat action and what depositor's options are. This should be sent by U.S. mail, return receipt requested, six months prior to escheat action. If there is no response from the account holder, further notice by the same means should be undertaken prior to escheat.

Respectfully submitted for hearing 02-17-2009

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