



House of Representatives

General Assembly

File No. 212

February Session, 2010

House Bill No. 5049

House of Representatives, March 30, 2010

The Committee on Banks reported through REP. BARRY of the 12th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING THE DEPARTMENT OF BANKING.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 36a-1 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2010*):

3 This title shall be known as the "Banking Law of Connecticut" and
4 shall be applicable to all Connecticut banks, Connecticut credit unions,
5 mortgage lenders, mortgage correspondent lenders, mortgage loan
6 originators and mortgage brokers, money order and travelers check
7 licensees, check cashing service licensees, trustees under mortgages or
8 deeds of trust of real property securing certain investments,
9 corporations exercising fiduciary powers, small loan licensees,
10 business and industrial development corporation licensees, sales
11 finance companies, mortgage servicing companies, debt adjusters, and
12 to [such] any other persons [as] who subject themselves to the
13 provisions of this title or who, by violating any of its provisions,
14 become subject to the penalties provided in this title.

15 Sec. 2. Section 36a-3 of the general statutes is repealed. (*Effective*
16 *October 1, 2010*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2010</i>	36a-1
Sec. 2	<i>October 1, 2010</i>	Repealer section

BA *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note***State Impact:*** None***Municipal Impact:*** None***Explanation***

There is no fiscal impact to the Department of Banking due to specifying that Connecticut's banking laws apply to business and industrial development corporation licensees.

The Out Years***State Impact:*** None***Municipal Impact:*** None

OLR Bill Analysis**HB 5049*****AN ACT CONCERNING THE DEPARTMENT OF BANKING.*****SUMMARY:**

This bill specifies that Connecticut's banking laws apply to business and industrial development corporation licensees. Current law specifies that the banking law applies to several categories of businesses and persons, as well as to other people who subject themselves to its provisions or who, by violating any of its provisions, become subject to its penalties. The law already authorizes and provides for the licensure of business and industrial development corporations.

The bill makes a technical change by repealing a list of cross-references to a number of definitions in the statutes.

EFFECTIVE DATE: October 1, 2010

BACKGROUND***Business and Industrial Development Corporation***

By law, a business and industrial development corporation is a person approved or seeking approval from the federal Small Business Administration as a participating lender under its loan guarantee programs, who applies to the banking commissioner for a license under the law.

COMMITTEE ACTION

Banks Committee

Joint Favorable

Yea 18 Nay 0 (03/16/2010)