



General Assembly

January Session, 2011

Raised Bill No. 1109

LCO No. 4015

04015_____BA_

Referred to Committee on Banks

Introduced by:

(BA)

AN ACT CONCERNING BANKS.

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

1 Section 1. Subsection (b) of section 36a-17 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2011*):

4 (b) Any Connecticut bank, Connecticut credit union or Connecticut
5 credit union service organization which causes or has caused any
6 electronic data processing services to be performed for such bank,
7 credit union or credit union service organization either on or off its
8 premises by an electronic data processing servicer shall enter into a
9 written contract with such servicer. Such contract shall specify the
10 duties and responsibilities of the bank, credit union or credit union
11 service organization and such servicer and provide that such servicer
12 shall allow the commissioner to examine such servicer's books, records
13 and computer systems in accordance with this subsection, if required
14 by the commissioner. The Connecticut bank, Connecticut credit union
15 or Connecticut credit union service organization shall promptly [send
16 a copy of such contract to] notify the commissioner of any material
17 change in its electronic data processing services. The commissioner

18 may examine the books, records and computer systems of any
19 electronic data processing servicer that performs electronic data
20 processing services for a Connecticut bank, Connecticut credit union or
21 Connecticut credit union service organization, if such services
22 substantially impact the operations of the Connecticut bank,
23 Connecticut credit union or Connecticut credit union service
24 organization as determined by the commissioner, in order to (1)
25 determine whether such servicer has the capacity to protect the
26 customer information of such bank, credit union or credit union
27 service organization, and (2) assess such servicer's potential for
28 continued service. The commissioner may assess a fee of one hundred
29 fifty dollars per day plus costs for each examiner who conducts such
30 examination, the total cost of which the commissioner may allocate on
31 a pro rata basis to all Connecticut banks, Connecticut credit unions and
32 Connecticut credit union service organizations under contract with
33 such servicer.

34 Sec. 2. Subsection (a) of section 36a-59 of the general statutes is
35 repealed and the following is substituted in lieu thereof (*Effective from*
36 *passage*):

37 (a) The commissioner may enter into one or more stipulations and
38 agreements, [or] memoranda of understanding or consent orders with
39 a Connecticut bank, either alone or in conjunction with the Federal
40 Deposit Insurance Corporation, a Federal Reserve Bank or [its] their
41 successor [agency] agencies, or may enter into one or more letters of
42 understanding and agreement, [or] memoranda of understanding or
43 consent orders with, or issue preliminary warning letters to, a
44 Connecticut credit union or Connecticut credit union service
45 organization, either alone or in conjunction with the National Credit
46 Union Administration or its successor agency, if the commissioner
47 finds as a result of an examination or investigation that the
48 Connecticut bank, Connecticut credit union or Connecticut credit
49 union service organization: (1) Has failed to file a report when due, (2)
50 is insolvent, (3) has violated any provisions of the general statutes

51 within the jurisdiction of the commissioner, or any regulation, rule or
52 order adopted or issued thereunder, or (4) has engaged or participated
53 in, or is engaging or participating in, any unsafe and unsound practice.

54 Sec. 3. Subdivision (1) of subsection (d) of section 36a-65 of the
55 general statutes is repealed and the following is substituted in lieu
56 thereof (*Effective October 1, 2011*):

57 (d) (1) The fee for investigating and processing each application is as
58 follows:

59 (A) Establishment of (i) a branch under subdivision (1) of subsection
60 (b) of section 36a-145, two thousand dollars; (ii) a mobile branch under
61 subdivision (1) of subsection (d) of section 36a-145, one thousand five
62 hundred dollars; (iii) a limited branch under subdivision (1) of
63 subsection (c) of section 36a-145, one thousand five hundred dollars;
64 (iv) a special need limited branch under subdivision (4) of subsection
65 (c) of section 36a-145, five hundred dollars; (v) an out-of-state branch
66 under subsection (j) of section 36a-145, a reasonable fee not to exceed
67 two thousand dollars from which any fees paid to a state other than
68 this state or to a foreign country in connection with the establishment
69 shall be deducted; and (vi) an out-of-state limited branch or mobile
70 branch under subsection (j) of section 36a-145, a reasonable fee not to
71 exceed one thousand five hundred dollars from which any fees paid to
72 a state other than this state or to a foreign country in connection with
73 the establishment shall be deducted.

74 (B) Sale of (i) a branch under subsection (i) of section 36a-145, two
75 thousand dollars, except there shall be no fee for the sale of a branch of
76 a Connecticut bank to another Connecticut bank or to a Connecticut
77 credit union; and (ii) a limited branch, including a special need limited
78 branch or mobile branch under subsection (i) of section 36a-145, a fee
79 not to exceed one thousand five hundred dollars.

80 (C) Relocation of (i) a main office of a Connecticut bank under
81 subsection (a) of section 36a-81, two thousand dollars; and (ii) a branch

82 or a limited branch under [subsection] subsections (g) and (k) of
83 section 36a-145, five hundred dollars.

84 (D) Conversions from (i) a branch to a limited branch under
85 subdivision (3) of subsection (c) of section 36a-145; and (ii) a limited
86 branch to a branch under subdivision (3) of subsection (b) of section
87 36a-145, five hundred dollars.

88 (E) Merger or consolidation involving a Connecticut bank under
89 section 36a-125 or subsection (a) of section 36a-126, two thousand five
90 hundred dollars if two institutions are involved and five thousand
91 dollars if three or more institutions are involved.

92 (F) Acquisition of assets or business under section 36a-210, two
93 thousand five hundred dollars.

94 (G) Organization of a holding company under section 36a-181, two
95 thousand five hundred dollars.

96 (H) Organization of any Connecticut bank under section 36a-70, as
97 amended by this act, including the conditional preliminary approval
98 for an expedited bank, fifteen thousand dollars, except no fee shall be
99 required for the organization of an interim Connecticut bank.

100 (I) Reorganization of a mutual savings bank or mutual savings and
101 loan association into a mutual holding company under section 36a-192,
102 five thousand dollars.

103 (J) Conversions under (i) sections 36a-135 to 36a-138, inclusive, five
104 thousand dollars; (ii) sections 36a-139, 36a-139a and 36a-469c, two
105 thousand five hundred dollars; and (iii) section 36a-139b, fifteen
106 thousand dollars.

107 (K) Acquiring, altering or improving real estate for present or future
108 use in the business of the bank or purchasing real estate adjoining any
109 parcel of real estate owned by the bank under subdivision (33) of
110 subsection (a) of section 36a-250, five hundred dollars, except that no

111 fee shall be charged for such application if it is filed in connection with
112 an application to relocate a main office of a Connecticut bank under
113 subsection (a) of section 36a-81 or establish (i) a branch in this state
114 under subdivision (1) of subsection (b) of section 36a-145, (ii) a limited
115 branch in this state under subdivision (1) of subsection (c) of section
116 36a-145, or (iii) a branch or limited branch outside of this state under
117 subsection (j) of section 36a-145.

118 (L) Investigation and processing an interstate banking transaction
119 application filed under section 36a-411 or 36a-412, two thousand five
120 hundred dollars, unless the transaction otherwise requires an
121 investigation and processing fee under this section.

122 (M) Issuance of a final certificate of authority for an expedited
123 Connecticut bank, [except for a conditional preliminary approval,]
124 fifteen thousand dollars.

125 Sec. 4. Subsection (p) of section 36a-70 of the general statutes is
126 repealed and the following is substituted in lieu thereof (*Effective from*
127 *passage*):

128 (p) (1) One or more persons may organize an interim Connecticut
129 bank solely (A) for the acquisition of an existing bank, whether by
130 acquisition of stock, by acquisition of assets, or by merger or
131 consolidation, or (B) to facilitate any other corporate transaction
132 authorized by this title in which the commissioner has determined that
133 such transaction has adequate regulatory supervision to justify the
134 organization of an interim Connecticut bank. Such interim Connecticut
135 bank shall not accept deposits or otherwise commence business.
136 Subdivision (2) of subsection (c) and subsections (d), (f), (g), (h) and (o)
137 of this section shall not apply to the organization of an interim bank,
138 provided the commissioner may, in the commissioner's discretion,
139 order a hearing under subsection (e) or require that the organizers
140 publish or mail the proposed certificate of incorporation or both. The
141 approving authority for an interim Connecticut bank shall be the
142 commissioner acting alone. If the approving authority determines that

143 the organization of the interim Connecticut bank complies with
144 applicable law, the approving authority shall issue a temporary
145 certificate of authority conditioned on the approval by the appropriate
146 supervisory agency of the corporate transaction for which the interim
147 Connecticut bank is formed.

148 (2) (A) Notwithstanding any provision of this title, for the period
149 from [October 1, 2009,] the effective date of this section to
150 September 30, [2011] 2013, inclusive, one or more persons may apply
151 to the commissioner for the conditional preliminary approval of [an]
152 one or more expedited Connecticut [bank] banks organized primarily
153 for the purpose of assuming liabilities and purchasing assets from the
154 Federal Deposit Insurance Corporation when the Federal Deposit
155 Insurance Corporation is acting as receiver or conservator of an
156 insured depository institution. The [person or persons organizing an
157 expedited Connecticut bank shall execute, acknowledge and file with
158 the commissioner an application to organize. Such] application shall be
159 made on a form acceptable to the commissioner and shall be executed
160 and acknowledged by the applicant or applicants. Such application
161 shall contain sufficient information for the commissioner to evaluate (i)
162 the amount, type and sources of capital that would be available to the
163 bank or banks; (ii) the ownership structure and holding companies, if
164 any, over the bank or banks; (iii) the identity, biographical information
165 and banking experience of each of the initial organizers and
166 prospective initial directors, senior executive officers and any
167 individual, group or proposed shareholders of the bank that will own
168 or control ten per cent or more of the stock of the bank or banks; (iv)
169 the overall strategic plan of the organizers and investors for the bank
170 or banks; and (v) a preliminary business plan outlining intended
171 product and business lines, retail branching plans and capital, earnings
172 and liquidity projections. The commissioner, acting alone, shall grant
173 conditional preliminary approval of such application to organize if the
174 commissioner determines that the organizers have available sufficient
175 committed funds to invest in the bank or banks; the organizers and
176 proposed directors possess capacity and fitness for the duties and

177 responsibilities with which they will be charged; the proposed bank
178 [charter has] or banks have a reasonable chance of success and will be
179 operated in a safe and sound manner; and the fee for investigating and
180 processing the application has been paid in accordance with
181 subparagraph (H) of subdivision (1) of subsection (d) of section 36a-65,
182 as amended by this act. Such preliminary approval shall be subject to
183 such conditions as the commissioner deems appropriate, including the
184 requirements that the bank or banks not commence the business of a
185 Connecticut bank until after [its] their bid or application for a
186 particular insured depository institution is accepted by the Federal
187 Deposit Insurance Corporation, that the background checks are
188 satisfactory, and that the organizers submit, for the safety and
189 soundness review by the commissioner, more detailed operating plans
190 and current financial statements as potential acquisition transactions
191 are considered, and such plans and statements are satisfactory to the
192 commissioner. The commissioner may alter, suspend or revoke the
193 conditional preliminary approval if the commissioner deems any
194 interim development warrants such action. The conditional
195 preliminary approval shall expire eighteen months from the date of
196 approval, unless extended by the commissioner. [, if the bank has not
197 commenced business and consummated an initial acquisition.]

198 (B) The commissioner shall not issue a final certificate of authority
199 to commence the business of a Connecticut bank or banks under this
200 subdivision until all conditions and preopening requirements and
201 applicable state and federal regulatory requirements have been met
202 and the fee for [assuming liabilities and purchasing assets] issuance of
203 a final certificate of authority for an expedited Connecticut bank has
204 been paid in accordance with subparagraph (M) of subdivision (1) of
205 subsection (d) of section 36a-65, as amended by this act. The
206 commissioner may waive any requirement under this title or
207 regulations adopted under this title that is necessary for the
208 consummation of [a bank] an acquisition involving an expedited
209 Connecticut bank if the commissioner finds that such waiver is
210 advisable and in the interest of depositors or the public, provided the

211 commissioner shall not waive the requirement that the institution's
212 insurable accounts or deposits be federally insured. Any such waiver
213 granted by the commissioner under this subparagraph shall be in
214 writing and shall set forth the reason or reasons for the waiver. The
215 commissioner may impose conditions on the final certificate of
216 authority as the commissioner deems necessary to ensure that the bank
217 will be operated in a safe and sound manner. The commissioner shall
218 cause notice of the issuance of the final certificate of authority to be
219 published in the department's weekly bulletin.

220 Sec. 5. Subsection (j) of section 36a-261 of the general statutes is
221 repealed and the following is substituted in lieu thereof (*Effective*
222 *October 1, 2011*):

223 (j) Loans made under this section may be for the purpose of
224 building upon or improving the property of the borrower, and may be
225 made in installments advanced at the discretion of the lending
226 institution as the work progresses; provided at no time shall the ratio
227 of the amount loaned to the then total value exceed [fifty per cent or]
228 the ratio the final loan is to bear to the value of the completed
229 property. [, whichever is the greater.] Loans made to finance the
230 construction of buildings and having a maturity of not more than
231 twenty-four months or having a maturity of not more than thirty-six
232 months if approved by the commissioner are not subject to the
233 limitations imposed by this subsection.

234 Sec. 6. Subsection (a) of section 36a-263 of the general statutes is
235 repealed and the following is substituted in lieu thereof (*Effective*
236 *October 1, 2011*):

237 (a) As used in this section, "executive officer" has the meaning given
238 to such term in 12 CFR 215.2 [of Subpart A] of Federal Reserve Board
239 Regulation O, 12 CFR Part 215, as from time to time amended. With
240 the exception of Sections 215.7 [and 215.13 of Subpart A] of Federal
241 Reserve Board Regulation O, 12 CFR Part 215, as from time to time
242 amended, Connecticut banks are subject to and shall comply with the

243 restrictions contained in 12 CFR [Sections] Section 337.3, [and 349,] as
244 from time to time amended, and no executive officer, director or
245 principal shareholder of a Connecticut bank or any of its affiliates shall
246 knowingly receive, or knowingly permit any of such person's related
247 interests to receive, from a Connecticut bank, directly or indirectly, any
248 extension of credit that violates such restrictions. No executive officer,
249 director, employee, agent or other person shall participate in any
250 conduct of the affairs of the bank that violates this subsection.

251 Sec. 7. Subsections (d) and (e) of section 36a-276 of the general
252 statutes are repealed and the following is substituted in lieu thereof
253 (*Effective from passage*):

254 (d) In addition to other investments authorized by sections 36a-275
255 to 36a-277, inclusive, and 36a-280, any Connecticut bank, with the
256 approval of the commissioner, may purchase or hold for its own
257 account, without regard to any other liability to the Connecticut bank
258 of the issuer, a controlling interest in a corporation or other entity, the
259 functions of which are limited to one or more of the functions which
260 the bank may carry on directly in the exercise of its express or
261 incidental powers. For purposes of this subsection and subsection (e)
262 of this section, a "controlling interest" means at least fifty-one per cent
263 of the equity securities issued by the corporation or other entity, unless
264 the commissioner determines that under the circumstances, a lesser
265 percentage constitutes effective working control of the corporation or
266 other entity.

267 (e) The bank shall notify the commissioner, in writing, twenty-four
268 hours prior to making any investment under subsections (b) and (c) of
269 this section which would result in such bank having invested in the
270 aggregate in twenty-five per cent or more of the equity securities of a
271 corporation. Notwithstanding the provisions of this subsection, any
272 investment in a controlling interest in a corporation or other entity, the
273 functions of which are limited to one or more of the functions that the
274 bank may carry on directly in the exercise of its express or incidental

275 powers, shall be made in accordance with subsection (d) of this
276 section.

277 Sec. 8. Subsection (a) of section 36a-333 of the general statutes is
278 repealed and the following is substituted in lieu thereof (*Effective from*
279 *passage*):

280 (a) To secure public deposits, each qualified public depository shall
281 at all times maintain, segregated from its other assets as provided in
282 subsection (b) of this section, eligible collateral in an amount at least
283 equal to the following percentage of public deposits held by the
284 depository: (1) For any qualified public depository having a risk-based
285 capital ratio of ten per cent or greater, a sum equal to ten per cent of all
286 public deposits held by the depository; (2) for any qualified public
287 depository having a risk-based capital ratio of less than ten per cent
288 but greater than or equal to eight per cent, a sum equal to twenty-five
289 per cent of all public deposits held by the depository; (3) for any
290 qualified public depository having a risk-based capital ratio of less
291 than eight per cent but greater than or equal to three per cent, a sum
292 equal to one hundred per cent of all public deposits held by the
293 depository; (4) for any qualified public depository having a risk-based
294 capital ratio of less than three per cent, and, notwithstanding the
295 provisions of subdivisions (1) to (3), inclusive, of this subsection, for
296 any qualified public depository which has been conducting business in
297 this state for a period of less than two years except for a qualified
298 public depository that is a successor institution to a qualified public
299 depository which conducted business in this state for two years or
300 more, a sum equal to one hundred and twenty per cent of all public
301 deposits held by the depository; provided, the qualified public
302 depository and the public depositor may agree on an amount of
303 eligible collateral to be maintained by the depository that is greater
304 than the minimum amounts required under subdivisions (1) to (4),
305 inclusive, of this subsection; (5) notwithstanding the risk-based capital
306 ratio provisions of subdivisions (1) to (3), inclusive, of this subsection,
307 for any qualified public depository that is an uninsured bank, a sum

308 equal to one hundred twenty per cent of all public deposits held by the
309 depository; and (6) notwithstanding the risk-based capital ratio
310 provisions of subdivisions (1) to (3), inclusive, of this subsection, for
311 any qualified public depository that is subject to an order to cease and
312 desist, consent order or a preliminary warning letter, or has entered
313 into a stipulation and agreement, memorandum of understanding or a
314 letter of understanding and agreement with a bank or credit union
315 supervisor, a sum equal to one hundred twenty per cent of all public
316 deposits held by the depository, provided, the qualified public
317 depository and the public depositor may agree on an amount of
318 eligible collateral to be maintained by the depository that is greater
319 than the minimum amounts required under subdivisions (1) to (6),
320 inclusive, of this subsection. For purposes of this subsection, the
321 amount of all public deposits held by the depository shall be
322 determined based on either the public deposits reported on the most
323 recent written report filed with the commissioner pursuant to section
324 36a-338 or the average of the public deposits reported on the four such
325 most recent written reports, whichever amount is greater. For
326 purposes of this subsection, the depository's risk-based capital ratio
327 shall be determined, in accordance with applicable federal regulations
328 and regulations adopted by the commissioner in accordance with
329 chapter 54, based on the most recent quarterly call report, provided (A)
330 if, during any calendar quarter after the issuance of such report, the
331 depository experiences a decline in its risk-based capital ratio to a level
332 that would require the depository to maintain a higher amount of
333 eligible collateral under subdivisions (1) to (4), inclusive, of this
334 subsection, the depository shall increase the amount of eligible
335 collateral maintained by it to the minimum required under
336 subdivisions (1) to (4), inclusive, of this subsection based on such lower
337 risk-based capital ratio and shall notify the commissioner of its actions;
338 and (B) if, during any calendar quarter after the issuance of such
339 report, the commissioner reasonably determines that the depository's
340 risk-based capital ratio is likely to decline to a level that would require
341 the depository to maintain a higher amount of eligible collateral under

342 subdivisions (1) to (4), inclusive, of this subsection, the commissioner
343 may require that the depository increase the amount of eligible
344 collateral maintained by it to the minimum required under
345 subdivisions (1) to (4), inclusive, of this subsection based on the
346 commissioner's determination of such lower risk-based capital ratio.

347 Sec. 9. Section 36a-334 of the general statutes is repealed and the
348 following is substituted in lieu thereof (*Effective from passage*):

349 When the commissioner determines that a loss has occurred, the
350 commissioner shall as soon as possible make payment to the proper
351 public officers of all public deposits subject to such loss, pursuant to
352 the following procedure: (1) For the purposes of determining the sums
353 to be paid, the commissioner or receiver shall, within twenty days after
354 issuance of a restraining order or taking possession of any qualified
355 public depository, ascertain the amount of public deposits held by the
356 depository as disclosed by its records and the amount thereof covered
357 by deposit insurance and certify the amounts to each public depositor
358 having public funds on deposit in the depository; (2) within ten days
359 after receipt of such certification, each such public depositor shall
360 furnish to the commissioner verified statements of its deposits in the
361 depository as disclosed by its records plus information concerning any
362 letters of credit issued to the public depositor or any private insurance
363 policy used to secure public deposits, pursuant to section 36a-337; (3)
364 upon receipt of such certificate and statements, the commissioner shall
365 ascertain and fix the amount of such public deposits, net after
366 deduction of any deposit insurance and any amount received or to be
367 received by the public depositor pursuant to a letter of credit or private
368 insurance policy issued in accordance with section 36a-337, and assess
369 the same against the depository in which the loss occurred; (4) the
370 assessment made by the commissioner shall be payable on the second
371 business day following demand, and in case of the failure of the
372 qualified public depository so to pay, the commissioner shall
373 immediately take possession of the eligible collateral, if any,
374 segregated by the depository pursuant to sections 36a-330 to 36a-338,

375 inclusive, as amended by this act, and liquidate the same for the
376 purpose of paying such assessment; (5) upon receipt of the assessment,
377 the commissioner shall reimburse the public depositors of the
378 depository in which the loss occurred to the extent of the depository's
379 net deposit liability to them.

380 Sec. 10. Subsection (b) of section 36a-380 of the general statutes is
381 repealed and the following is substituted in lieu thereof (*Effective*
382 *October 1, 2011*):

383 (b) (1) Application for such license shall be in writing upon forms to
384 be furnished by the commissioner and shall contain the full name and
385 address of the applicant corporation and of each of its officers and a
386 statement of the assets and liabilities of such corporation in such form
387 as the commissioner requires. If, upon examination of such application
388 and upon any further investigation that the commissioner deems
389 necessary, the commissioner is satisfied that such corporation is
390 solvent and conducting its business according to law, the
391 commissioner may issue to such corporation a license to receive
392 property in trust and to execute and administer trusts to the extent and
393 in the manner authorized by the charter of such corporation or by any
394 general or special law of this state, but not otherwise. If it appears to
395 the commissioner that any such applicant corporation is insolvent, or
396 that its business is being conducted contrary to law or to the provisions
397 of its charter, the commissioner shall refuse to issue such license.

398 (2) In connection with an application for such license and at any
399 other time, the commissioner may, in accordance with section 29-17a,
400 arrange for a state and national criminal history records check
401 requiring the fingerprinting of each principal, executive officer and
402 director of the corporation or conducting of any other method of
403 positive identification of such individuals required by the State Police
404 Bureau of Investigation.

405 Sec. 11. Subsection (c) of section 36a-437a of the general statutes is
406 repealed and the following is substituted in lieu thereof (*Effective*

407 October 1, 2011):

408 (c) In connection with an application to organize and at any other
409 time the commissioner requests, each organizer, director, [and]
410 appointed director and member of senior management, as defined in
411 section 36a-435b, of a Connecticut credit union shall provide
412 fingerprints to the commissioner for use in conducting criminal history
413 records checks. Such criminal history records checks shall be
414 conducted in accordance with section 29-17a.

415 Sec. 12. Subdivision (3) of section 36a-455a of the general statutes is
416 repealed and the following is substituted in lieu thereof (*Effective from*
417 *passage*):

418 (3) Make and use its best efforts to make secured and unsecured
419 loans and other extensions of credit to its members in accordance with
420 section 36a-265 and sections 36a-457a, 36a-457b and 36a-458a;

421 Sec. 13. Section 36a-628 of the general statutes of the general statutes
422 is amended by adding subsection (c) as follows (*Effective October 1,*
423 *2011*):

424 (NEW) (c) In connection with an application for such license and at
425 any other time, the commissioner may, in accordance with section 29-
426 17a, arrange for a state and national criminal history records check
427 requiring the fingerprinting of each principal, executive officer and
428 director of the business and individual development corporation or for
429 conducting any other method of positive identification of such
430 individuals required by the State Police Bureau of Investigation.

431 Sec. 14. (NEW) (*Effective October 1, 2011*) A Connecticut bank may
432 merge with one or more of its affiliates that are not banks or out-of-
433 state banks, provided the resulting institution is a Connecticut bank.
434 Such merger shall be effected in accordance with the provisions of
435 section 36a-125 of the general statutes, except, with respect to any
436 provision therein governing corporate procedure, including the rights

437 of dissenting members or shareholders who assert existing appraisal
 438 rights, such affiliate shall comply with the laws of the state or other
 439 jurisdiction under which such affiliate is organized. Any such affiliate
 440 shall also comply with other applicable laws of the state or other
 441 jurisdiction under which such affiliate is organized concerning such
 442 mergers.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2011</i>	36a-17(b)
Sec. 2	<i>from passage</i>	36a-59(a)
Sec. 3	<i>October 1, 2011</i>	36a-65(d)(1)
Sec. 4	<i>from passage</i>	36a-70(p)
Sec. 5	<i>October 1, 2011</i>	36a-261(j)
Sec. 6	<i>October 1, 2011</i>	36a-263(a)
Sec. 7	<i>from passage</i>	36a-276(d) and (e)
Sec. 8	<i>from passage</i>	36a-333(a)
Sec. 9	<i>from passage</i>	36a-334
Sec. 10	<i>October 1, 2011</i>	36a-380(b)
Sec. 11	<i>October 1, 2011</i>	36a-437a(c)
Sec. 12	<i>from passage</i>	36a-455a(3)
Sec. 13	<i>October 1, 2011</i>	36a-628
Sec. 14	<i>October 1, 2011</i>	New section

Statement of Purpose:

To (1) clarify the authority of the Banking Commissioner to take certain actions jointly with federal regulators, (2) permit persons who obtain conditional preliminary approval to organize an expedited Connecticut bank to organize more than one such bank, (3) ensure that Connecticut banks obtain the approval of the Commissioner before acquiring a controlling interest in certain entities, (4) enhance the protections for public deposits, (5) clarify the lending authority of Connecticut credit unions, and (6) authorize Connecticut banks to merge with their nonbank affiliates.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]