



General Assembly

January Session, 2011

**Amendment**

LCO No. 6157

**\*HB0628406157HDO\***

Offered by:

REP. TONG, 147<sup>th</sup> Dist.

REP. ALBERTS, 50<sup>th</sup> Dist.

To: House Bill No. **6284**

File No. 286

Cal. No. 183

**"AN ACT CONCERNING THE DEPARTMENT OF BANKING."**

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. Subdivision (69) of section 36a-2 of the general statutes is  
4 repealed and the following is substituted in lieu thereof (*Effective July*  
5 *21, 2011*):

6 (69) "Supervisory agency" means: (A) The commissioner; (B) the  
7 Federal Deposit Insurance Corporation; (C) the Resolution Trust  
8 Corporation; (D) the Office of Thrift Supervision; (E) the National  
9 Credit Union Administration; (F) the Board of Governors of the  
10 Federal Reserve System; (G) the United States Comptroller of the  
11 Currency; [and] (H) the Bureau of Consumer Financial Protection; and  
12 (I) any successor to any of the foregoing agencies or individuals;

13 Sec. 2. Subsection (c) of section 36a-170 of the general statutes is  
14 repealed and the following is substituted in lieu thereof (*Effective July*

15 21, 2011):

16 (c) Any electronic transfer of funds by means of a home banking  
17 terminal authorized under this section shall be subject to the Electronic  
18 Fund Transfer Act, 15 USC Section 1693, et seq., as from time to time  
19 amended, and Regulation E<sub>z</sub> [of the Federal Reserve Board,] 12 CFR  
20 Part 205, as from time to time amended.

21 Sec. 3. Subdivision (15) of section 36a-485 of the general statutes is  
22 repealed and the following is substituted in lieu thereof (*Effective July*  
23 *21, 2011*):

24 (15) "Mortgage loan originator" means an individual who for  
25 compensation or gain or with the expectation of compensation or gain  
26 (A) takes a residential mortgage loan application or (B) offers or  
27 negotiates terms of a residential mortgage loan. "Mortgage loan  
28 originator" does not include (i) an individual engaged solely as a loan  
29 processor or underwriter except as otherwise provided in subdivision  
30 (3) of subsection (b) of section 36a-486; (ii) a person who only performs  
31 real estate brokerage activities and is licensed in accordance with  
32 chapter 392, unless the person is compensated by a mortgage lender,  
33 mortgage correspondent lender, mortgage broker or other mortgage  
34 loan originator or by any agent of such mortgage lender, mortgage  
35 correspondent lender, mortgage broker or other mortgage loan  
36 originator; (iii) a person solely involved in extensions of credit relating  
37 to timeshare plans, as that term is defined in Paragraph 53D of 11 USC  
38 101; or (iv) any individual who solely renegotiates terms for existing  
39 mortgage loans and who does not otherwise act as a mortgage loan  
40 originator, unless the United States Department of Housing and Urban  
41 Development, the Bureau of Consumer Financial Protection or a court  
42 of competent jurisdiction determines that the S.A.F.E. Mortgage  
43 Licensing Act of 2008, 12 USC Section 5101 et seq., requires such  
44 individual to be licensed as a mortgage loan originator under state  
45 laws implementing said S.A.F.E. Mortgage Licensing Act;

46 Sec. 4. Subsection (c) of section 36a-486 of the general statutes is

47 repealed and the following is substituted in lieu thereof (*Effective July*  
48 *21, 2011*):

49 (c) If the United States Department of Housing and Urban  
50 Development, the Bureau of Consumer Financial Protection or a court  
51 of competent jurisdiction determines that the S.A.F.E. Mortgage  
52 Licensing Act of 2008, 12 USC Section 5101 et seq., requires an  
53 individual described in subparagraph (B)(iv) of subdivision (15) of  
54 section 36a-485 to be licensed as a mortgage loan originator under state  
55 laws implementing said S.A.F.E. Mortgage Licensing Act, such  
56 individual may continue to act in such individual's current capacity,  
57 provided such individual files an application for a mortgage loan  
58 originator license not later than the date sixty days from the date of  
59 such determination by the United States Department of Housing and  
60 Urban Development, the Bureau of Consumer Financial Protection or a  
61 court of competent jurisdiction.

62 Sec. 5. Subdivision (2) of subsection (a) of section 36a-676 of the  
63 general statutes is repealed and the following is substituted in lieu  
64 thereof (*Effective July 21, 2011*):

65 (2) "Consumer Credit Protection Act" means Title I of [Public Law  
66 90-321 (82 Stat. 146)] the Consumer Credit Protection Act, 15 USC 1601  
67 et seq., as from time to time amended, and includes regulations  
68 adopted by the Federal Reserve Board or the Bureau of Consumer  
69 Financial Protection pursuant to [that] said act;

70 Sec. 6. Section 36a-681 of the general statutes is repealed and the  
71 following is substituted in lieu thereof (*Effective July 21, 2011*):

72 Any person who wilfully and knowingly (1) gives false or  
73 inaccurate information or fails to provide information which such  
74 person is required to disclose under the provisions of sections 36a-567,  
75 36a-568 and 36a-675 to 36a-685, inclusive, subdivision (13) of  
76 subsection (c) of section 36a-770, and sections 36a-771, 36a-774, 36a-777  
77 and 36a-786, or any regulation adopted thereunder, (2) uses any chart  
78 or table authorized by the Federal Reserve Board or the Bureau of

79 Consumer Financial Protection under Section 107 of the Consumer  
80 Credit Protection Act (15 USC 1606) in such manner as to consistently  
81 understate the annual percentage rate determined under said sections  
82 or (3) otherwise fails to comply with any requirement imposed under  
83 said sections shall be fined not more than five thousand dollars or  
84 imprisoned not more than one year or both.

85 Sec. 7. Subsection (f) of section 36a-683 of the general statutes is  
86 repealed and the following is substituted in lieu thereof (*Effective July*  
87 *21, 2011*):

88 (f) No provision of this section, subsection (d) of section 36a-684 or  
89 section 36a-681, as amended by this act, imposing any liability shall  
90 apply to any act done or omitted in good faith in conformity with any  
91 provision of sections 36a-675 to 36a-685, inclusive, or with any rule,  
92 regulation, approval or formal interpretation thereof by the  
93 commissioner, or in conformity with the Consumer Credit Protection  
94 Act (15 USC 1601 et seq.), including any rule or regulation adopted by  
95 the Federal Reserve Board or the Bureau of Consumer Financial  
96 Protection pursuant to said act, or in conformity with any  
97 interpretation of said act by the Federal Reserve Board or the Bureau of  
98 Consumer Financial Protection or in conformity with any  
99 interpretation or approval by an official or employee of the Federal  
100 Reserve System or the Bureau of Consumer Financial Protection duly  
101 authorized by the Federal Reserve Board or the Bureau of Consumer  
102 Financial Protection to issue such interpretations or approvals under  
103 such procedures as said board or bureau may prescribe therefor,  
104 notwithstanding that after such act or omission has occurred, such  
105 statute, rule, regulation, approval or interpretation is amended,  
106 rescinded or determined by judicial or other authority to be invalid for  
107 any reason.

108 Sec. 8. Subdivision (6) of subsection (j) of section 36a-683 of the  
109 general statutes is repealed and the following is substituted in lieu  
110 thereof (*Effective July 21, 2011*):

111 (6) An obligor shall have no rescission rights arising solely from the  
112 form of written notice used by the creditor to inform the obligor of the  
113 rights of the obligor under this subsection and Section 125 of the  
114 Consumer Credit Protection Act (15 USC 1635), if the creditor  
115 provided the obligor the appropriate form of written notice published  
116 and adopted by the Federal Reserve Board or the Bureau of Consumer  
117 Financial Protection, or a comparable written notice of the rights of the  
118 obligor, that was properly completed by the creditor, and otherwise  
119 complied with all other requirements of this subsection and Section  
120 125 of the Consumer Credit Protection Act (15 USC 1635) regarding  
121 notice.

122 Sec. 9. Subsection (b) of section 36a-696 of the general statutes is  
123 repealed and the following is substituted in lieu thereof (*Effective July*  
124 *21, 2011*):

125 (b) Upon written request and proper identification of any consumer,  
126 a credit rating agency shall disclose to the consumer, within five  
127 business days of receipt of the consumer's request, the nature and  
128 substance of all information in its files, including (1) any credit score or  
129 predictor relating to the consumer, as required by and in a form and  
130 manner that complies with the federal Fair Credit Reporting Act and  
131 commentary adopted and enforced by the Federal Trade Commission  
132 or the Bureau of Consumer Financial Protection; (2) a record of all  
133 inquiries, by recipient, including the recipient's name which resulted in  
134 providing a credit report concerning the consumer during the  
135 preceding twelve-month period; (3) a clear and concise explanation of  
136 the information; and (4) a written summary of the consumer's rights  
137 under state and federal consumer credit reporting statutes in a form  
138 substantially similar to the summary in section 36a-699a. The credit  
139 rating agency may charge no more than five dollars for the first  
140 request for such information within the preceding twelve months and  
141 no more than seven dollars and fifty cents for any additional request  
142 within the same twelve-month period for such information, provided  
143 such disclosure shall be made without charge to the consumer if the  
144 request for disclosure is made not more than sixty days after

145 notification to the consumer of an adverse action by a creditor.

146 Sec. 10. Subdivision (2) of section 36a-736 of the general statutes is  
147 repealed and the following is substituted in lieu thereof (*Effective July*  
148 *21, 2011*):

149 (2) "Federal Home Mortgage Disclosure Act" means the Home  
150 Mortgage Disclosure Act of 1975 (12 USC Section 2801 et seq.), as  
151 amended from time to time, and any regulations promulgated by the  
152 Federal Reserve Board or the Bureau of Consumer Financial Protection  
153 pursuant to that act, except, for purposes of sections 36a-735 to 36a-  
154 744, inclusive, the supervisory agency shall be the commissioner;

155 Sec. 11. Section 36b-6 of the general statutes is amended by adding  
156 subsection (l) as follows (*Effective July 21, 2011*):

157 (NEW) (l) The commissioner may by rule, regulation or order,  
158 conditionally or unconditionally, exempt from the requirements of this  
159 section any person or class of persons upon a finding that such  
160 exemption is in the public interest and consistent with the protection of  
161 investors and the purposes fairly intended by the policy and  
162 provisions of this chapter.

163 Sec. 12. Subdivision (3) of subsection (a) of section 42-391 of the  
164 general statutes is repealed and the following is substituted in lieu  
165 thereof (*Effective July 21, 2011*):

166 (3) "Federal Consumer Leasing Act" means Chapter 5 of Title I of the  
167 Consumer Credit Protection Act, 15 USC Sections 1667 to 1667f,  
168 inclusive, as amended. The term includes regulations issued by the  
169 Board of Governors of the Federal Reserve System or the Bureau of  
170 Consumer Financial Protection pursuant to that act, Regulation M, 12  
171 CFR Part 213, as amended.

172 Sec. 13. Subdivision (2) of subsection (d) of section 42-427 of the  
173 general statutes is repealed and the following is substituted in lieu  
174 thereof (*Effective July 21, 2011*):

175 (2) With respect to requirements based on the federal Consumer  
176 Leasing Act, a rule, regulation or interpretation of said act by the  
177 Federal Reserve Board or the Bureau of Consumer Financial  
178 Protection, even if after the act or omission occurred, the rule,  
179 regulation or interpretation is amended, rescinded or determined by  
180 judicial or other authority to be invalid.

181 Sec. 14. Subsection (c) of section 42a-3-102 of the general statutes is  
182 repealed and the following is substituted in lieu thereof (*Effective July*  
183 *21, 2011*):

184 (c) Regulations of the Board of Governors of the Federal Reserve  
185 System or the Bureau of Consumer Financial Protection and operating  
186 circulars of the federal reserve banks supersede any inconsistent  
187 provision of this article to the extent of the inconsistency.

188 Sec. 15. Subsections (b) and (c) of section 42a-4-103 of the general  
189 statutes are repealed and the following is substituted in lieu thereof  
190 (*Effective July 21, 2011*):

191 (b) Federal reserve and the Bureau of Consumer Financial  
192 Protection regulations and operating circulars, clearinghouse rules,  
193 and the like have the effect of agreements under subsection (a) of this  
194 section, whether or not specifically assented to by all parties interested  
195 in items handled.

196 (c) Action or nonaction approved by this article or pursuant to  
197 federal reserve or the Bureau of Consumer Financial Protection  
198 regulations or operating circulars is the exercise of ordinary care and,  
199 in the absence of special instructions, action or nonaction consistent  
200 with clearinghouse rules and the like or with a general banking usage  
201 not disapproved by this article, is prima facie the exercise of ordinary  
202 care.

203 Sec. 16. Subsection (a) of section 42a-4-110 of the general statutes is  
204 repealed and the following is substituted in lieu thereof (*Effective July*  
205 *21, 2011*):

206 (a) "Agreement for electronic presentment" means an agreement,  
 207 clearinghouse rule, or Federal Reserve or the Bureau of Consumer  
 208 Financial Protection regulation or operating circular, providing that  
 209 presentment of an item may be made by transmission of an image of  
 210 an item or information describing the item ("presentment notice")  
 211 rather than delivery of the item itself. The agreement may provide for  
 212 procedures governing retention, presentment, payment, dishonor, and  
 213 other matters concerning items subject to the agreement.

214 Sec. 17. Section 42a-4A-107 of the general statutes is repealed and  
 215 the following is substituted in lieu thereof (*Effective July 21, 2011*):

216 Regulations of the Board of Governors of the Federal Reserve  
 217 System and the Bureau of Consumer Financial Protection and  
 218 operating circulars of the federal reserve banks supersede any  
 219 inconsistent provision of this article to the extent of the inconsistency.

220 Sec. 18. Subsection (b) of section 46a-81f of the general statutes is  
 221 repealed and the following is substituted in lieu thereof (*Effective July*  
 222 *21, 2011*):

223 (b) No liability may be imposed under this section for an act done or  
 224 omitted in conformity with a regulation or declaratory ruling of the  
 225 Banking Commissioner, the Federal Reserve Board, the Bureau of  
 226 Consumer Financial Protection or any other governmental agency  
 227 having jurisdiction under the Equal Credit Opportunity Act,  
 228 notwithstanding that after the act or omission the regulation or  
 229 declaratory ruling may be amended, repealed or determined to be  
 230 invalid for any reason."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 21, 2011</i>	36a-2(69)
Sec. 2	<i>July 21, 2011</i>	36a-170(c)
Sec. 3	<i>July 21, 2011</i>	36a-485(15)
Sec. 4	<i>July 21, 2011</i>	36a-486(c)
Sec. 5	<i>July 21, 2011</i>	36a-676(a)(2)

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Sec. 6	<i>July 21, 2011</i>	36a-681
Sec. 7	<i>July 21, 2011</i>	36a-683(f)
Sec. 8	<i>July 21, 2011</i>	36a-683(j)(6)
Sec. 9	<i>July 21, 2011</i>	36a-696(b)
Sec. 10	<i>July 21, 2011</i>	36a-736(2)
Sec. 11	<i>July 21, 2011</i>	36b-6
Sec. 12	<i>July 21, 2011</i>	42-391(a)(3)
Sec. 13	<i>July 21, 2011</i>	42-427(d)(2)
Sec. 14	<i>July 21, 2011</i>	42a-3-102(c)
Sec. 15	<i>July 21, 2011</i>	42a-4-103(b) and (c)
Sec. 16	<i>July 21, 2011</i>	42a-4-110(a)
Sec. 17	<i>July 21, 2011</i>	42a-4A-107
Sec. 18	<i>July 21, 2011</i>	46a-81f(b)