



General Assembly

February Session, 2012

**Raised Bill No. 5070**

LCO No. 831

\*00831\_\_\_\_\_BA\_\*

Referred to Committee on Banks

Introduced by:

(BA)

**AN ACT CONCERNING LOAN PRODUCTION OFFICES, INTERSTATE BRANCHING AND NONBANK TRUSTEES.**

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

1 Section 1. Section 36a-2 of the 2012 supplement to the general  
2 statutes is repealed and the following is substituted in lieu thereof  
3 (*Effective from passage*):

4 As used in this title, unless the context otherwise requires:

5 (1) "Affiliate" of a person means any person controlling, controlled  
6 by, or under common control with, that person;

7 (2) "Applicant" with respect to any license or approval provision  
8 pursuant to this title means a person who applies for that license or  
9 approval;

10 (3) "Automated teller machine" means a stationary or mobile  
11 unattended device, including a satellite device but excluding a point of  
12 sale terminal, at which banking transactions, including, but not limited  
13 to, deposits, withdrawals, advances, payments or transfers, may be  
14 conducted;

15 (4) "Bank" means a Connecticut bank or a federal bank;

16 (5) "Bank and trust company" means an institution chartered or  
17 organized under the laws of this state as a bank and trust company;

18 (6) "Bank holding company" has the meaning given to that term in  
19 12 USC Section 1841(a), as amended from time to time, except that the  
20 term "bank", as used in 12 USC Section 1841(a) includes a bank or out-  
21 of-state bank that functions solely in a trust or fiduciary capacity;

22 (7) "Capital stock" when used in conjunction with any bank or out-  
23 of-state bank means a bank or out-of-state bank that is authorized to  
24 accumulate funds through the issuance of its capital stock;

25 (8) "Client" means a beneficiary of a trust for whom the Connecticut  
26 bank acts as trustee, a person for whom the Connecticut bank acts as  
27 agent, custodian or bailee, or other person to whom a Connecticut  
28 bank owes a duty or obligation under a trust or other account  
29 administered by such Connecticut bank, regardless of whether such  
30 Connecticut bank owes a fiduciary duty to the person;

31 (9) "Club deposit" means deposits to be received at regular intervals,  
32 the whole amount deposited to be withdrawn by the owner or repaid  
33 by the bank in not more than fifteen months from the date of the first  
34 deposit, and upon which no interest or dividends need to be paid;

35 (10) "Commissioner" means the Banking Commissioner and, with  
36 respect to any function of the commissioner, includes any person  
37 authorized or designated by the commissioner to carry out that  
38 function;

39 (11) "Company" means any corporation, joint stock company, trust,  
40 association, partnership, limited partnership, unincorporated  
41 organization, limited liability company or similar organization, but  
42 does not include (A) any corporation the majority of the shares of  
43 which are owned by the United States or by any state, or (B) any trust  
44 which by its terms shall terminate within twenty-five years or not later

45 than twenty-one years and ten months after the death of beneficiaries  
46 living on the effective date of the trust;

47 (12) "Connecticut bank" means a bank and trust company, savings  
48 bank or savings and loan association chartered or organized under the  
49 laws of this state;

50 (13) "Connecticut credit union" means a cooperative, nonprofit  
51 financial institution that (A) is organized under chapter 667 and the  
52 membership of which is limited as provided in section 36a-438a, (B)  
53 operates for the benefit and general welfare of its members with the  
54 earnings, benefits or services offered being distributed to or retained  
55 for its members, and (C) is governed by a volunteer board of directors  
56 elected by and from its membership;

57 (14) "Connecticut credit union service organization" means a credit  
58 union service organization that is incorporated under the laws of this  
59 state, located in this state and established by at least one Connecticut  
60 credit union;

61 (15) "Consolidation" means a combination of two or more  
62 institutions into a new institution; all institutions party to the  
63 consolidation, other than the new institution, are "constituent"  
64 institutions; the new institution is the "resulting" institution;

65 (16) "Control" has the meaning given to that term in 12 USC Section  
66 1841(a), as amended from time to time;

67 (17) "Credit union service organization" means an entity organized  
68 under state or federal law to provide credit union service organization  
69 services primarily to its members, to Connecticut credit unions, federal  
70 credit unions and out-of-state credit unions other than its members,  
71 and to members of any such other credit unions;

72 (18) "Customer" means any person using a service offered by a  
73 financial institution;

74 (19) "Demand account" means an account into which demand  
75 deposits may be made;

76 (20) "Demand deposit" means a deposit that is payable on demand,  
77 a deposit issued with an original maturity or required notice period of  
78 less than seven days or a deposit representing funds for which the  
79 bank does not reserve the right to require at least seven days' written  
80 notice of the intended withdrawal, but does not include any time  
81 deposit;

82 (21) "Deposit" means funds deposited with a depository;

83 (22) "Deposit account" means an account into which deposits may  
84 be made;

85 (23) "Depositor" includes a member of a mutual savings and loan  
86 association;

87 (24) "Director" means a member of the governing board of a  
88 financial institution;

89 (25) "Equity capital" means the excess of a Connecticut bank's total  
90 assets over its total liabilities, as defined in the instructions of the  
91 federal Financial Institutions Examination Council for consolidated  
92 reports of condition and income;

93 (26) "Executive officer" means every officer of a Connecticut bank  
94 who participates or has authority to participate, otherwise than in the  
95 capacity of a director, in major policy-making functions of such bank,  
96 regardless of whether such officer has an official title or whether that  
97 title contains a designation of assistant and regardless of whether such  
98 officer is serving without salary or other compensation. The president,  
99 vice president, secretary and treasurer of such bank are deemed to be  
100 executive officers, unless, by resolution of the governing board or by  
101 such bank's bylaws, any such officer is excluded from participation in  
102 major policy-making functions, otherwise than in the capacity of a  
103 director of such bank, and such officer does not actually participate in

104 such policy-making functions;

105 (27) "Federal agency" has the meaning given to that term in 12 USC  
106 Section 3101, as amended from time to time;

107 (28) "Federal bank" means a national banking association, federal  
108 savings bank or federal savings and loan association having its  
109 principal office in this state;

110 (29) "Federal branch" has the meaning given to that term in 12 USC  
111 Section 3101, as amended from time to time;

112 (30) "Federal credit union" means any institution chartered or  
113 organized as a federal credit union pursuant to the laws of the United  
114 States having its principal office in this state;

115 (31) "Fiduciary" means a person undertaking to act alone or jointly  
116 with others primarily for the benefit of another or others in all matters  
117 connected with its undertaking and includes a person acting in the  
118 capacity of trustee, executor, administrator, guardian, assignee,  
119 receiver, conservator, agent, custodian under the Connecticut Uniform  
120 Gifts to Minors Act or the Uniform Transfers to Minors Act, and acting  
121 in any other similar capacity;

122 (32) "Financial institution" means any Connecticut bank,  
123 Connecticut credit union, or other person whose activities in this state  
124 are subject to the supervision of the commissioner, but does not  
125 include a person whose activities are subject to the supervision of the  
126 commissioner solely pursuant to chapter 672a, 672b or 672c or any  
127 combination thereof;

128 (33) "Foreign bank" has the meaning given to that term in 12 USC  
129 Section 3101, as amended from time to time;

130 (34) "Foreign country" means any country other than the United  
131 States and includes any colony, dependency or possession of any such  
132 country;

133 (35) "Governing board" means the group of persons vested with the  
134 management of the affairs of a financial institution irrespective of the  
135 name by which such group is designated;

136 (36) "Holding company" means a bank holding company or a  
137 savings and loan holding company, except, as used in sections 36a-180  
138 to 36a-191, inclusive, "holding company" means a company that  
139 controls a bank;

140 (37) "Insured depository institution" has the meaning given to that  
141 term in 12 USC Section 1813, as amended from time to time;

142 (38) "Licensee" means any person who is licensed or required to be  
143 licensed pursuant to the applicable provisions of this title;

144 (39) "Loan" includes any line of credit or other extension of credit;

145 (40) "Loan production office" means an office of a bank or out-of-  
146 state bank, other than a foreign bank, whose activities are limited to  
147 loan production and solicitation;

148 [(40)] (41) "Merger" means the combination of one or more  
149 institutions with another which continues its corporate existence; all  
150 institutions party to the merger are "constituent" institutions; the  
151 merging institution which upon the merger continues its existence is  
152 the "resulting" institution;

153 [(41)] (42) "Mutual" when used in conjunction with any institution  
154 that is a bank or out-of-state bank means any such institution without  
155 capital stock;

156 [(42)] (43) "Mutual holding company" means a mutual holding  
157 company organized under sections 36a-192 to 36a-199, inclusive, and  
158 unless otherwise indicated, a subsidiary holding company controlled  
159 by a mutual holding company organized under sections 36a-192 to  
160 36a-199, inclusive;

161 [(43) "Nationwide Mortgage Licensing System" means the nation-  
162 wide mortgage licensing system implemented pursuant to a uniform  
163 mortgage licensing project under the auspices of the Conference of  
164 State Bank Supervisors and the American Association of Residential  
165 Mortgage Regulators;]

166 (44) "Out-of-state" includes any state other than Connecticut and  
167 any foreign country;

168 (45) "Out-of-state bank" means any institution that engages in the  
169 business of banking, but does not include a bank, Connecticut credit  
170 union, federal credit union or out-of-state credit union;

171 (46) "Out-of-state credit union" means any credit union other than a  
172 Connecticut credit union or a federal credit union;

173 (47) "Out-of-state trust company" means any company chartered to  
174 act as a fiduciary but does not include a company chartered under the  
175 laws of this state, a bank, an out-of-state bank, a Connecticut credit  
176 union, a federal credit union or an out-of-state credit union;

177 (48) "Person" means an individual, company, including a company  
178 described in subparagraphs (A) and (B) of subdivision (11) of this  
179 section, or any other legal entity, including a federal, state or municipal  
180 government or agency or any political subdivision thereof;

181 (49) "Point of sale terminal" means a device located in a commercial  
182 establishment at which sales transactions can be charged directly to the  
183 buyer's deposit, loan or credit account, but at which deposit  
184 transactions cannot be conducted;

185 (50) "Prepayment penalty" means any charge or penalty for paying  
186 all or part of the outstanding balance owed on a loan before the date  
187 on which the principal is due and includes computing a refund of  
188 unearned interest by a method that is less favorable to the borrower  
189 than the actuarial method, as defined by Section 933(d) of the Housing  
190 and Community Development Act of 1992, 15 USC 1615(d), as

191 amended from time to time;

192 (51) "Reorganized savings bank" means any savings bank  
193 incorporated and organized in accordance with sections 36a-192 and  
194 36a-193;

195 (52) "Reorganized savings and loan association" means any savings  
196 and loan association incorporated and organized in accordance with  
197 sections 36a-192 and 36a-193;

198 (53) "Reorganized savings institution" means any reorganized  
199 savings bank or reorganized savings and loan association;

200 (54) "Representative office" has the meaning given to that term in 12  
201 USC Section 3101, as amended from time to time;

202 (55) "Reserves for loan and lease losses" means the amounts  
203 reserved by a Connecticut bank against possible loan and lease losses  
204 as shown on the bank's consolidated reports of condition and income;

205 (56) "Retail deposits" means any deposits made by individuals who  
206 are not "accredited investors", as defined in 17 CFR 230.501(a);

207 (57) "Satellite device" means an automated teller machine which is  
208 not part of an office of the bank, Connecticut credit union or federal  
209 credit union which has established such machine;

210 (58) "Savings account" means a deposit account, other than an  
211 escrow account established pursuant to section 49-2a, into which  
212 savings deposits may be made and which account must be evidenced  
213 by periodic statements delivered at least semiannually or by a  
214 passbook;

215 (59) "Savings and loan association" means an institution chartered or  
216 organized under the laws of this state as a savings and loan  
217 association;

218 (60) "Savings bank" means an institution chartered or organized

219 under the laws of this state as a savings bank;

220 (61) "Savings deposit" means any deposit other than a demand  
221 deposit or time deposit on which interest or a dividend is paid  
222 periodically;

223 (62) "Savings and loan holding company" has the meaning given to  
224 that term in 12 USC Section 1467a, as amended from time to time;

225 (63) "Share account holder" means a person who maintains a share  
226 account in a Connecticut credit union, federal credit union or out-of-  
227 state credit union that maintains in this state a branch, as defined in  
228 section 36a-435b;

229 (64) "State" means any state of the United States, the District of  
230 Columbia, any territory of the United States, Puerto Rico, Guam,  
231 American Samoa, the trust territory of the Pacific Islands, the Virgin  
232 Islands and the Northern Mariana Islands;

233 (65) "State agency" has the meaning given to that term in 12 USC  
234 Section 3101, as amended from time to time;

235 (66) "State branch" has the meaning given to that term in 12 USC  
236 Section 3101, as amended from time to time;

237 (67) "Subsidiary" has the meaning given to that term in 12 USC  
238 Section 1841(d), as amended from time to time;

239 (68) "Subsidiary holding company" means a stock holding company,  
240 controlled by a mutual holding company, that holds one hundred per  
241 cent of the stock of a reorganized savings institution;

242 (69) "Supervisory agency" means: (A) The commissioner; (B) the  
243 Federal Deposit Insurance Corporation; (C) the Resolution Trust  
244 Corporation; (D) the Office of Thrift Supervision; (E) the National  
245 Credit Union Administration; (F) the Board of Governors of the  
246 Federal Reserve System; (G) the United States Comptroller of the

247 Currency; (H) the Bureau of Consumer Financial Protection; and (I)  
248 any successor to any of the foregoing agencies or individuals;

249 (70) "Time account" means an account into which time deposits may  
250 be made;

251 (71) "Time deposit" means a deposit that the depositor or share  
252 account holder does not have a right and is not permitted to make  
253 withdrawals from within six days after the date of deposit, unless the  
254 deposit is subject to an early withdrawal penalty of at least seven days'  
255 simple interest on amounts withdrawn within the first six days after  
256 deposit, subject to those exceptions permissible under 12 CFR Part 204,  
257 as amended from time to time;

258 (72) "Trust bank" means a Connecticut bank organized to function  
259 solely in a fiduciary capacity; and

260 (73) "Uninsured bank" means a Connecticut bank that does not  
261 accept retail deposits and for which insurance of deposits by the  
262 Federal Deposit Insurance Corporation or its successor agency is not  
263 required.

264 Sec. 2. Section 36a-3 of the general statutes is repealed and the  
265 following is substituted in lieu thereof (*Effective October 1, 2012*):

266 Other definitions applying to this title or to specified parts thereof  
267 and the sections in which they appear are:

T1 "Account". Sections 36a-155 and 36a-365.

T2 "Additional proceeds". Section 36a-746e.

T3 "Administrative expense". Section 36a-237.

T4 "Advance fee". Sections 36a-485 and 36a-615.

T5 "Advertise" or "advertisement". Section 36a-485.

T6 "Agency bank". Section 36a-285.

T7 "Alternative mortgage loan". Section 36a-265.

T8 "Amount financed". Section 36a-690.

- T9 "Annual percentage rate". Section 36a-690.
- T10 "Annual percentage yield". Section 36a-316.
- T11 "Annuities". Section 36a-455a.
- T12 "Applicant". Section 36a-736.
- T13 "APR". Section 36a-746a.
- T14 "Assessment area". Section 36a-37.
- T15 "Assets". Section 36a-70.
- T16 "Associate". Section 36a-184.
- T17 "Associated member". Section 36a-458a.
- T18 "Bank". Section 36a-30.
- T19 "Bankers' bank". Section 36a-70.
- T20 "Banking business". Section 36a-425.
- T21 "Basic services". Section 36a-437a.
- T22 "Billing cycle". Section 36a-565.
- T23 "Bona fide nonprofit organization". Section 36a-655.
- T24 "Branch". Sections 36a-145, as amended by this act, 36a-410 and
- T25 36a-435b.
- T26 "Branch office". Section 36a-485.
- T27 "Branch or agency net payment entitlement". Section 36a-428n.
- T28 "Branch or agency net payment obligation". Section 36a-428n.
- T29 "Broker". Section 36a-746a.
- T30 "Business and industrial development corporation". Section 36a-626.
- T31 "Business and property in this state". Section 36a-428n.
- T32 "Capital". Section 36a-435b.
- T33 "Cash advance". Section 36a-564.
- T34 "Cash price". Section 36a-770.
- T35 "Certificate of incorporation". Section 36a-435b.
- T36 "CHFA loan". Section 36a-760.
- T37 "Closely related activities". Sections 36a-250 and 36a-455a.
- T38 "Collective managing agency account". Section 36a-365.
- T39 "Commercial vehicle". Section 36a-770.
- T40 "Community bank". Section 36a-70.
- T41 "Community credit union". Section 36a-37.
- T42 "Community development bank". Section 36a-70.

- T43 "Community reinvestment performance". Section 36a-37.
- T44 "Connecticut holding company". Sections 36a-53 and 36a-410.
- T45 "Consolidate". Section 36a-145, as amended by this act.
- T46 "Construction loan". Section 36a-458a.
- T47 "Consumer". Sections 36a-155, 36a-676 and 36a-695.
- T48 "Consumer Credit Protection Act". Section 36a-676.
- T49 "Consumer debtor" and "debtor". Sections 36a-645 and 36a-800.
- T50 "Consumer collection agency". Section 36a-800.
- T51 "Consummation". Section 36a-746a.
- T52 "Controlling interest". Section 36a-276.
- T53 "Conventional mortgage rate". Section 36a-760.
- T54 "Corporate". Section 36a-435b.
- T55 "Credit". Sections 36a-645 and 36a-676.
- T56 "Credit manager". Section 36a-435b.
- T57 "Creditor". Sections 36a-676, 36a-695 and 36a-800.
- T58 "Credit card", "cardholder" and "card issuer". Section 36a-676.
- T59 "Credit clinic". Section 36a-700.
- T60 "Credit rating agency". Section 36a-695.
- T61 "Credit report". Section 36a-695.
- T62 "Credit sale". Section 36a-676.
- T63 "Credit union service organization". Section 36a-435b.
- T64 "Credit union service organization services". Section 36a-435b.
- T65 "De novo branch". Section 36a-410.
- T66 "Debt". Section 36a-645.
- T67 "Debt adjustment". Section 36a-655.
- T68 "Debt mutual fund". Sections 36a-275 and 36a-459a.
- T69 "Debt securities". Sections 36a-275 and 36a-459a.
- T70 "Debtor". Section 36a-655.
- T71 "Deliver". Section 36a-316.
- T72 "Deposit". Section 36a-316.
- T73 "Deposit account". Section 36a-316.
- T74 "Deposit account charge". Section 36a-316.
- T75 "Deposit account disclosures". Section 36a-316.
- T76 "Deposit contract". Section 36a-316.

- T77 "Deposit services". Section 36a-425.
- T78 "Depositor". Section 36a-316.
- T79 "Derivative transaction". Section 36a-262, as amended by this act.
- T80 "Director". Section 36a-435b.
- T81 "Earning period". Section 36a-316.
- T82 "Electronic payment instrument". Section 36a-596.
- T83 "Eligible collateral". Section 36a-330.
- T84 "Eligible entity". Section 36a-34.
- T85 "Entity". Section 36a-380, as amended by this act.
- T86 "Equity mutual fund". Sections 36a-276 and 36a-459a.
- T87 "Equity security". Sections 36a-276 and 36a-459a.
- T88 "Executive officer". Sections 36a-263 and 36a-469c.
- T89 "Expedited Connecticut bank". Section 36a-70.
- T90 "Federal Credit Union Act". Section 36a-435b.
- T91 "Federal Home Mortgage Disclosure Act". Section 36a-736.
- T92 "FHA loan". Section 36a-760.
- T93 "Fiduciary". Section 36a-365.
- T94 "Filing fee". Section 36a-770.
- T95 "Finance charge". Sections 36a-690 and 36a-770.
- T96 "Financial institution". Sections 36a-41, 36a-44a, 36a-155, 36a-316,
- T97 36a-330, 36a-435b, 36a-736 and 36a-755.
- T98 "Financial records". Section 36a-41.
- T99 "First mortgage loan". Sections 36a-485, 36a-705, 36a-715 and 36a-725.
- T100 "Foreign banking corporation". Section 36a-425.
- T101 "Fully indexed rate". Section 36a-760b.
- T102 "General facility". Section 36a-580.
- T103 "Global net payment entitlement". Section 36a-428n.
- T104 "Global net payment obligation". Section 36a-428n.
- T105 "Goods". Sections 36a-535 and 36a-770.
- T106 "Graduated payment mortgage loan". Section 36a-265.
- T107 "Guardian". Section 36a-365.
- T108 "High cost home loan". Section 36a-746a.
- T109 "Holder". Section 36a-596.
- T110 "Home banking services". Section 36a-170.

- T111 "Home banking terminal". Section 36a-170.
- T112 "Home improvement loan". Section 36a-736.
- T113 "Home purchase loan". Section 36a-736.
- T114 "Home state". Section 36a-410.
- T115 "Immediate family member". Section 36a-435b.
- T116 "Insider". Section 36a-454b.
- T117 "Installment loan contract". Sections 36a-535 and 36a-770.
- T118 "Insurance". Section 36a-455a.
- T119 "Insurance bank". Section 36a-285.
- T120 "Insurance department". Section 36a-285.
- T121 "Interest". Section 36a-316.
- T122 "Interest rate". Section 36a-316.
- T123 "Interim interest". Section 36a-746a.
- T124 "Lender". Sections 36a-746a, 36a-760 and 36a-770.
- T125 "Lessor". Section 36a-676.
- T126 "License". Section 36a-626.
- T127 "Licensee". Sections 36a-596 and 36a-626.
- T128 "Limited branch". Section 36a-145, as amended by this act.
- T129 "Limited facility". Section 36a-580.
- T130 "Loan broker". Section 36a-615.
- T131 "Loss". Section 36a-330.
- T132 "Made in this state". Section 36a-770.
- T133 "Main office". Section 36a-485.
- T134 "Managing agent". Section 36a-365.
- T135 "Manufactured home". Section 36a-457b.
- T136 "Material litigation". Section 36a-596.
- T137 "Member". Section 36a-435b.
- T138 "Member business loan". Section 36a-458a.
- T139 "Member in good standing". Section 36a-435b.
- T140 "Membership share". Section 36a-435b.
- T141 "Mobile branch". Sections 36a-145, as amended by this act,
- T142 and 36a-435b.
- T143 "Money order". Section 36a-596.
- T144 "Money transmission". Section 36a-365.

- T145 "Mortgage". Section 36a-760g.
- T146 "Mortgage broker". Sections 36a-485, 36a-705 and 36a-760.
- T147 "Mortgage correspondent lender". Section 36a-485.
- T148 "Mortgage insurance". Section 36a-725.
- T149 "Mortgage lender". Sections 36a-485, 36a-705 and 36a-725.
- T150 "Mortgage loan". Sections 36a-261, as amended by this act, 36a-265,
- T151 36a-457b, 36a-485 and 36a-736.
- T152 "Mortgage loan originator". Section 36a-485.
- T153 "Mortgage rate lock-in". Section 36a-705.
- T154 "Mortgage servicing company". Section 36a-715.
- T155 "Mortgagor". Section 36a-715.
- T156 "Motor vehicle". Section 36a-770.
- T157 "Multiple common bond membership". Section 36a-435b.
- T158 "Municipality". Section 36a-800.
- T159 "Net outstanding member business loan balance". Section 36a-458a.
- T160 "Net worth". Sections 36a-441a, 36a-458a and 36a-596.
- T161 "Network". Section 36a-155.
- T162 "Nonprime home loan". Section 36a-760.
- T163 "Nonrefundable". Section 36a-498.
- T164 "Note account". Sections 36a-301 and 36a-456b.
- T165 "Office". Sections 36a-23, 36a-316 and 36a-485.
- T166 "Officer". Section 36a-435b.
- T167 "Open-end credit plan". Section 36a-676.
- T168 "Open-end line of credit". Section 36a-760.
- T169 "Open-end loan". Section 36a-565.
- T170 "Organization". Section 36a-800.
- T171 "Out-of-state holding company". Section 36a-410.
- T172 "Outstanding". Section 36a-596.
- T173 "Passbook savings account". Section 36a-316.
- T174 "Payment instrument". Section 36a-596.
- T175 "Periodic statement". Section 36a-316.
- T176 "Permissible investment". Section 36a-596.
- T177 "Person". Section 36a-184.
- T178 "Post". Section 36a-316.

- T179 "Prepaid finance charge". Section 36a-746a.
- T180 "Prime quality". Section 36a-596.
- T181 "Principal amount of the loan". Section 36a-485.
- T182 "Processor". Section 36a-155.
- T183 "Public deposit". Section 36a-330.
- T184 "Purchaser". Section 36a-596.
- T185 "Qualified financial contract". Section 36a-428n.
- T186 "Qualified public depository" and "depository". Section 36a-330.
- T187 "Real estate". Section 36a-457b.
- T188 "Records". Section 36a-17.
- T189 "Related person". Section 36a-53.
- T190 "Relocate". Sections 36a-145, as amended by this act, and 36a-462a.
- T191 "Residential property". Section 36a-485.
- T192 "Resulting entity". Section 36a-34.
- T193 "Retail buyer". Sections 36a-535 and 36a-770.
- T194 "Retail credit transaction". Section 42-100b.
- T195 "Retail installment contract". Sections 36a-535 and 36a-770.
- T196 "Retail installment sale". Sections 36a-535 and 36a-770.
- T197 "Retail seller". Sections 36a-535 and 36a-770.
- T198 "Reverse annuity mortgage loan". Section 36a-265.
- T199 "Sales finance company". Sections 36a-535 and 36a-770.
- T200 "Savings department". Section 36a-285.
- T201 "Savings deposit". Section 36a-316.
- T202 "Secondary mortgage loan". Section 36a-485.
- T203 "Security convertible into a voting security". Section 36a-184.
- T204 "Senior management". Section 36a-435b.
- T205 "Share". Section 36a-435b.
- T206 "Simulated check". Section 36a-485.
- T207 "Single common bond membership". Section 36a-435b.
- T208 "Special mortgage". Section 36a-760c.
- T209 "Social purpose investment". Section 36a-277.
- T210 "Standard mortgage loan". Section 36a-265.
- T211 "Table funding agreement". Section 36a-485.
- T212 "Tax and loan account". Sections 36a-301 and 36a-456b.

- T213 "The Savings Bank Life Insurance Company". Section 36a-285.
- T214 "Time account". Section 36a-316.
- T215 "Travelers check". Section 36a-596.
- T216 "Troubled Connecticut credit union". Section 36a-448a.
- T217 "Unsecured loan". Section 36a-615.
- T218 "Warehouse agreement". Section 36a-485.

268       Sec. 3. Subdivision (1) of subsection (d) of section 36a-65 of the 2012  
269 supplement to the general statutes is repealed and the following is  
270 substituted in lieu thereof (*Effective from passage*):

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

273       (A) Establishment of (i) a branch under subdivision (1) of subsection  
274 (b) of section 36a-145, two thousand dollars; (ii) a mobile branch under  
275 subdivision (1) of subsection (d) of section 36a-145, one thousand five  
276 hundred dollars; (iii) a limited branch under subdivision (1) of  
277 subsection (c) of section 36a-145, one thousand five hundred dollars;  
278 (iv) a special need limited branch under subdivision (4) of subsection  
279 (c) of section 36a-145, five hundred dollars; (v) an out-of-state branch  
280 under subsection (j) of section 36a-145, a reasonable fee not to exceed  
281 two thousand dollars from which any fees paid to a state other than  
282 this state or to a foreign country in connection with the establishment  
283 shall be deducted; and (vi) an out-of-state limited branch or mobile  
284 branch under subsection (j) of section 36a-145, a reasonable fee not to  
285 exceed one thousand five hundred dollars from which any fees paid to  
286 a state other than this state or to a foreign country in connection with  
287 the establishment shall be deducted.

288       (B) Sale of (i) a branch under subsection (i) of section 36a-145, two  
289 thousand dollars, except there shall be no fee for the sale of a branch of  
290 a Connecticut bank to another Connecticut bank or to a Connecticut  
291 credit union; and (ii) a limited branch, including a special need limited  
292 branch or mobile branch under subsection (i) of section 36a-145, a fee

293 not to exceed one thousand five hundred dollars.

294 (C) Relocation of (i) a main office of a Connecticut bank under  
295 subsection (a) of section 36a-81, two thousand dollars; and (ii) a branch  
296 or a limited branch under subsections (g) and (k) of section 36a-145,  
297 five hundred dollars.

298 (D) Conversions from (i) a branch to a limited branch under  
299 subdivision (3) of subsection (c) of section 36a-145; and (ii) a limited  
300 branch to a branch under subdivision (3) of subsection (b) of section  
301 36a-145, five hundred dollars.

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

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

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

310 (H) Organization of any Connecticut bank under section 36a-70,  
311 including the conditional preliminary approval for an expedited bank,  
312 fifteen thousand dollars, except no fee shall be required for the  
313 organization of an interim Connecticut bank.

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

317 (J) Conversions under (i) sections 36a-135 to 36a-138, inclusive, five  
318 thousand dollars; (ii) sections 36a-139, 36a-139a and 36a-469c, two  
319 thousand five hundred dollars; and (iii) section 36a-139b, fifteen  
320 thousand dollars.

321 (K) Acquiring, altering or improving real estate for present or future  
322 use in the business of the bank or purchasing real estate adjoining any  
323 parcel of real estate owned by the bank under subdivision (33) of  
324 subsection (a) of section 36a-250, five hundred dollars, except that no  
325 fee shall be charged for such application if it is filed in connection with  
326 an application to relocate a main office of a Connecticut bank under  
327 subsection (a) of section 36a-81 or establish (i) a branch in this state  
328 under subdivision (1) of subsection (b) of section 36a-145, (ii) a limited  
329 branch in this state under subdivision (1) of subsection (c) of section  
330 36a-145, or (iii) a branch or limited branch outside of this state under  
331 subsection (j) of section 36a-145.

332 (L) Investigation and processing an interstate banking transaction  
333 application filed under section 36a-411 or 36a-412, as amended by this  
334 act, two thousand five hundred dollars, unless the transaction  
335 otherwise requires an investigation and processing fee under this  
336 section.

337 (M) Issuance of a final certificate of authority for an expedited  
338 Connecticut bank, fifteen thousand dollars.

339 (N) Establishment of a loan production office under subsection (o)  
340 of section 36a-145, as amended by this act, or subsection (d) of section  
341 36a-412, as amended by this act, one thousand dollars.

342 Sec. 4. Subsection (a) of section 36a-145 of the general statutes is  
343 repealed and the following is substituted in lieu thereof (*Effective from*  
344 *passage*):

345 (a) As used in this section:

346 (1) "Branch" means any office at a fixed location of a Connecticut  
347 bank, other than the main office, at which deposits are received, checks  
348 paid and money lent and which, at a minimum, is open for banking  
349 business Monday through Friday, except as provided in subsection (a)  
350 of section 36a-23.

351 (2) "Commercial activities" means activities in which a bank holding  
352 company, as defined in 12 USC 1841(a)(1), a financial holding  
353 company, as defined in 12 USC 1841(p), a national banking association  
354 established under 12 USC 21, or a financial subsidiary of a national  
355 bank established under 12 USC 24a, may not engage under federal  
356 law.

357 (3) "Consolidate" means to combine within the same neighborhood,  
358 without substantially affecting the nature of the business or customers  
359 served, (A) two or more branches into a single branch; (B) one or more  
360 branches and one or more limited branches into a single branch or  
361 limited branch; (C) two or more limited branches into a single limited  
362 branch; or (D) one or more branches or limited branches into a main  
363 office.

364 (4) "Limited branch" means any office at a fixed location of a  
365 Connecticut bank at which banking business is conducted other than  
366 the main office, branch, ~~or~~ mobile branch or loan production office.

367 (5) "Mobile branch" means any office of a Connecticut bank at which  
368 banking business is conducted which is in fact moved or transported  
369 to one or more predetermined locations in accordance with a  
370 predetermined schedule.

371 (6) "Relocate" means to move within the same immediate  
372 neighborhood without substantially affecting the nature of the  
373 business or customers served.

374 Sec. 5. Section 36a-145 of the general statutes is amended by adding  
375 subsection (o) as follows (*Effective from passage*):

376 (NEW) (o) With the approval of the commissioner, a Connecticut  
377 bank may establish a loan production office in this state.

378 Sec. 6. Subsection (f) of section 36a-261 of the 2012 supplement to  
379 the general statutes is repealed and the following is substituted in lieu  
380 thereof (*Effective from passage*):

381 (f) Notwithstanding the provisions of subdivision (2) of subsection  
382 (h) of this section, the Connecticut bank, in its discretion and for such a  
383 period as it deems advisable, may excuse the borrower on a mortgage  
384 loan from amortization of the principal of such loan, provided the  
385 governing board of the Connecticut bank, or a management committee  
386 or board committee appropriately designated by such governing  
387 board, has reviewed the particular mortgage loan and has determined  
388 such action to be prudent under the circumstances.

389 Sec. 7. Subsection (a) of section 36a-262 of the general statutes is  
390 repealed and the following is substituted in lieu thereof (*Effective*  
391 *October 1, 2012*):

392 (a) Except as otherwise provided in this section, the total direct or  
393 indirect liabilities of any one obligor that are not fully secured,  
394 however incurred, to any Connecticut bank, exclusive of such bank's  
395 investment in the investment securities of such obligor, shall not  
396 exceed at the time incurred fifteen per cent of the equity capital and  
397 reserves for loan and lease losses of such bank. The total direct or  
398 indirect liabilities of any one obligor that are fully secured, however  
399 incurred, to any Connecticut bank, exclusive of such bank's investment  
400 in the investment securities of such obligor, shall not exceed at the time  
401 incurred ten per cent of the equity capital and reserves for loan and  
402 lease losses of such bank, provided this limitation shall be separate  
403 from and in addition to the limitation on liabilities that are not fully  
404 secured. Notwithstanding any provision of this subsection, the  
405 limitation on the liabilities of any one obligor shall take into account  
406 the credit exposure to such obligor arising from a derivative  
407 transaction. The commissioner shall have the authority to establish the  
408 method for determining the credit exposure and the extent to which  
409 the credit exposure shall be taken into account. As used in this  
410 subsection, "derivative transaction" includes any transaction that is a  
411 contract, agreement, swap, warrant, note or option that is based, in  
412 whole or in part, on the value of any interest in, or any quantitative  
413 measure or the occurrence of any event leading to, one or more

414 commodities, securities, currencies, interest or other rates, indices or  
415 other assets. The commissioner may adopt regulations in accordance  
416 with the provisions of chapter 54 establishing the method for  
417 determining credit exposure to derivative transactions and the extent  
418 to which the credit exposure shall be taken into account. For purposes  
419 of this section, a liability shall be considered to be fully secured if it is  
420 secured by readily marketable collateral having a market value, as  
421 determined by reliable and continuously available price quotations, at  
422 least equal to the amount of the liability. For purposes of determining  
423 the limitations of this section, in computing the liabilities of an obligor,  
424 a liability is incurred at the time of the closing of the transaction, unless  
425 such closing is preceded by a legally binding written commitment to  
426 enter into the transaction, in which case such liability is incurred at the  
427 time of commitment and is net of any liabilities of the obligor to such  
428 bank that will be paid with the proceeds of the commitment at the time  
429 of closing. The limitations provided for in this subsection may be  
430 exceeded for a period of time not to exceed six hours if at the closing of  
431 any transaction at which such obligor incurs such liabilities to a  
432 Connecticut bank in excess of such limitations, such bank immediately  
433 assigns or participates out to one or more other persons an amount  
434 that constitutes not less than the excess over the applicable limitation.  
435 Obligations as endorser or guarantor of negotiable or nonnegotiable  
436 installment consumer paper which carry an agreement to repurchase  
437 on default, unless the bank's sole recourse is to an agreed reserve held  
438 by it, in which case the liability shall be excluded, a full recourse  
439 endorsement or an unconditional guarantee by the person,  
440 partnership, association or corporation transferring the same, shall be  
441 subject under this section to a limitation of fifteen per cent of the bank's  
442 equity capital and reserves for loan and lease losses in addition to the  
443 applicable limitations of this section with respect to the makers of such  
444 obligations; provided, upon certification by an officer of the bank  
445 designated for that purpose by the governing board that the  
446 responsibility of each maker of such obligations has been evaluated  
447 and the bank is relying primarily upon each such maker for the

448 payment of such obligations, the limitations of this section as to the  
449 obligations of each maker shall be the sole applicable loan limitation;  
450 and provided such certification shall be in writing and shall be  
451 retained as part of the records of such bank.

452 Sec. 8. Section 36a-380 of the 2012 supplement to the general statutes  
453 is repealed and the following is substituted in lieu thereof (*Effective*  
454 *October 1, 2012*):

455 (a) Except as provided in this section, no [corporation] entity, other  
456 than a bank or out-of-state bank that maintains in this state a branch as  
457 defined in section 36a-410, shall have or exercise in this state the power  
458 to receive, by grant, assignment, transfer, devise, bequest or otherwise,  
459 any money, securities or other personal property, or any interest in real  
460 estate from any person [or corporation] in trust, to hold, manage or  
461 dispose of the same for the benefit of any third person, [or  
462 corporation,] or to accept or execute any such trust, unless such  
463 [corporation] entity is specifically empowered so to act by a general  
464 statute of this state or by a special act of the General Assembly. Any  
465 [corporation] entity so empowered to act as trustee, other than such  
466 bank or out-of-state bank, shall, before so acting, obtain a license from  
467 the commissioner as provided in subsection (b) of this section.

468 (b) (1) Application for such license shall be in writing upon forms to  
469 be furnished by the commissioner and shall contain the full name and  
470 address of the applicant [corporation] entity and of each of its  
471 principals and officers and a statement of the assets and liabilities of  
472 such [corporation] entity in such form as the commissioner requires. If,  
473 upon examination of such application and upon any further  
474 investigation that the commissioner deems necessary, the  
475 commissioner is satisfied that such [corporation] entity is solvent and  
476 conducting its business according to law, the commissioner may issue  
477 to such [corporation] entity a license to receive property in trust and to  
478 execute and administer trusts to the extent and in the manner  
479 authorized by the charter, certificate of incorporation, partnership

480 agreement, articles of association, articles of organization or similar  
481 document, as applicable, of such [corporation] entity or by any general  
482 or special law of this state, but not otherwise. If it appears to the  
483 commissioner that any such applicant [corporation] entity is insolvent,  
484 or that its business is being conducted contrary to law or to the  
485 provisions of its charter, certificate of incorporation, partnership  
486 agreement, articles of association, articles of organization or similar  
487 document, as applicable, the commissioner shall refuse to issue such  
488 license.

489 (2) In connection with an application for such license and at any  
490 other time, the commissioner may, in accordance with section 29-17a,  
491 arrange for a criminal history records check requiring the  
492 fingerprinting of each principal [, executive officer and director of the  
493 corporation] and officer of the entity or conducting of any other  
494 method of positive identification of such individuals required by the  
495 State Police Bureau of Identification.

496 (c) As used in sections 36a-380 to 36a-386, inclusive, as amended by  
497 this act, "entity" means corporation, joint stock company, association,  
498 partnership, limited partnership, unincorporated organization, limited  
499 liability company or similar organization, but does not include any  
500 corporation of which the majority of the shares are owned by the  
501 United States or by any state.

502 Sec. 9. Section 36a-381 of the general statutes is repealed and the  
503 following is substituted in lieu thereof (*Effective October 1, 2012*):

504 The provisions of sections 36a-380 to 36a-386, inclusive, as amended  
505 by this act, shall not apply to the administration of: (1) Any trust for  
506 cemetery purposes by an incorporated cemetery association; (2) any  
507 charitable, religious or educational trust by [a corporation] an entity  
508 organized for charitable, religious or educational purposes; (3) any  
509 trust by a life insurance company of the proceeds of its insurance  
510 policies; (4) any trust by [a corporation] an entity without  
511 compensation and not as a part of its regular business; (5) any trust in

512 real or personal property the trustee of which is a corporation acting  
513 pursuant to the provisions of section 45a-206; (6) any trust the trustee  
514 of which is [a corporation] acting as trustee under mortgage pursuant  
515 to the provisions of section 36a-395; or (7) any trust the trustee of  
516 which is [a corporation] an out-of-state trust company acting pursuant  
517 to section 36a-434a.

518 Sec. 10. Section 36a-382 of the general statutes is repealed and the  
519 following is substituted in lieu thereof (*Effective October 1, 2012*):

520 The commissioner shall annually or more often examine each  
521 [corporation] entity licensed under sections 36a-380 to 36a-386,  
522 inclusive, as amended by this act, and special acts 93-12, 93-19 and 93-  
523 20, any provision in the charter of any such [corporation] entity to the  
524 contrary notwithstanding, and shall require that such [corporation]  
525 entity file an annual report in such form as the commissioner may  
526 prescribe and such other reports as the commissioner may require.  
527 Each such licensed [corporation] entity shall pay the cost of such  
528 examination as determined by the commissioner and shall, in addition,  
529 pay to the commissioner an annual license fee of one hundred dollars.  
530 Such license fee shall be payable [on] not later than the thirtieth day of  
531 June in each year and the fee for licenses granted upon any other date  
532 shall be prorated to the thirtieth day of June next following the  
533 issuance thereof, provided no fee for the unexpired portion of any  
534 license year shall be less than twenty dollars.

535 Sec. 11. Section 36a-383 of the general statutes is repealed and the  
536 following is substituted in lieu thereof (*Effective October 1, 2012*):

537 If it at any time appears to the commissioner that any [corporation]  
538 entity so licensed has failed to comply with a cease and desist order  
539 issued by the commissioner or is insolvent or likely to become  
540 insolvent, the commissioner may revoke such license in accordance  
541 with section 36a-51 and apply to the superior court for the judicial  
542 district of Hartford or the judicial district in which such [corporation]  
543 entity is located for an injunction restraining such [corporation] entity

544 from continuing to receive property in trust and restraining it from  
545 administering any and all trusts including such as may be then in force  
546 and effect, and for an order appointing some suitable person to  
547 succeed such [corporation] entity as trustee of any trust property then  
548 in its possession or in or to which it has any right, title, interest or  
549 claim, or for any other or further order as appears to the court as  
550 necessary or advisable to protect and secure the interests of the  
551 beneficiaries of any such trust property. The court, after reasonable  
552 notice to such [corporation] entity and hearing thereon, may issue such  
553 injunction or other order or grant such other equitable relief as the  
554 facts may warrant and, pending such hearing, the court may issue such  
555 temporary injunction or restraining order as the court deems equitable.

556 Sec. 12. Section 36a-384 of the general statutes is repealed and the  
557 following is substituted in lieu thereof (*Effective October 1, 2012*):

558 The securities and investments of each trust committed to any such  
559 [corporation] entity so licensed shall be set apart and segregated and  
560 shall not be mingled with the securities and investments of any other  
561 trust or of the [corporation] entity. Any undistributed or temporarily  
562 uninvested cash held by such [corporation] entity as trustee shall be  
563 deposited in the name of the trust or in the name of the [corporation]  
564 entity as trustee in a bank, provided, when any such undistributed or  
565 uninvested cash is deposited in the name of the [corporation] entity as  
566 trustee, such deposits shall be so identified on the books of the  
567 [corporation] entity as to disclose the beneficial ownership thereof.

568 Sec. 13. Section 36a-385 of the general statutes is repealed and the  
569 following is substituted in lieu thereof (*Effective October 1, 2012*):

570 No such [corporation] entity so licensed shall use, either as a part of  
571 its name, or as a prefix or suffix thereto, or as a designation of the  
572 business carried on by it, the word "bank", "banking", "banker",  
573 "bankers", "trust" or "savings", notwithstanding any provision of the  
574 charter, certificate of incorporation, partnership agreement, articles of  
575 association, articles of organization or similar document, as applicable,

576 of any such [corporation to the contrary] entity.

577 Sec. 14. Subdivision (2) of subsection (a) of section 36a-412 of the  
578 general statutes is repealed and the following is substituted in lieu  
579 thereof (*Effective from passage*):

580 (2) Any out-of-state bank, other than a foreign bank, may, with the  
581 approval of the commissioner, and in accordance with the provisions  
582 of this subdivision, establish a de novo branch in this state. [Such  
583 establishment shall not take place unless the laws of the home state of  
584 such out-of-state bank authorize, under conditions no more restrictive  
585 than those imposed by the laws of this state, as determined by the  
586 commissioner, a bank to establish a de novo branch in the home state  
587 of such out-of-state bank, provided the commissioner may waive such  
588 reciprocity requirement for the establishment of a de novo branch the  
589 activities of which are limited to the exercise of fiduciary or trust  
590 powers if the commissioner finds that such establishment will result in  
591 net new benefits to this state. Any request for such waiver of  
592 reciprocity submitted by an out-of-state bank shall include a detailed  
593 statement of the reasons for the request and statistical and other  
594 information to support a finding of such net new benefits.] Any such  
595 establishment shall be effected in accordance with and subject to the  
596 filing requirements and any limitations imposed by section 36a-145, as  
597 amended by this act. Any such out-of-state bank that engages in  
598 business in this state shall comply with the requirements of section  
599 33-920 or subsection (a) of section 33-1210. Before approving any such  
600 establishment, the commissioner shall make such considerations,  
601 determinations and findings as required by section 36a-145, as  
602 amended by this act, and, in addition, shall consider whether such  
603 establishment can reasonably be expected to produce benefits to the  
604 public and whether such benefits clearly outweigh possible adverse  
605 effects, including, but not limited to, an undue concentration of  
606 resources and decreased or unfair competition. The commissioner shall  
607 not approve such establishment unless the commissioner considers  
608 whether: (A) The investment and lending policies of the out-of-state

609 bank are consistent with safe and sound banking practices and will  
610 benefit the economy of this state; (B) the proposed services of the  
611 branch are consistent with safe and sound banking practices and will  
612 benefit the economy of this state; (C) the establishment will not  
613 substantially lessen competition in this state; (D) the out-of-state bank  
614 is adequately managed and will continue to be adequately managed  
615 upon establishment of such branch; and (E) the out-of-state bank is in  
616 compliance with applicable minimum capital requirements. The  
617 commissioner shall not approve such establishment unless the  
618 commissioner makes the findings required by section 36a-34. An  
619 out-of-state bank which has established a de novo branch in this state  
620 in accordance with this subdivision may establish additional branches  
621 in this state, [ provided the activities of such additional branches of an  
622 out-of-state bank for which the commissioner waived such reciprocity  
623 requirement shall be limited to the exercise of fiduciary or trust  
624 powers. As used in this subdivision, "net new benefits" means (i) initial  
625 capital investments, including any new construction, (ii) job creation  
626 plans, including, but not limited to, the number of jobs to be created  
627 and the average wage rates for each category of such jobs, (iii) the  
628 potential for increasing state and municipal tax revenues from  
629 increased economic activity and increased employment, (iv) consumer  
630 and business services and other benefits to the state, local community  
631 and citizens, and (v) such other matters as the commissioner may  
632 deem necessary or advisable.]

633 Sec. 15. Section 36a-412 of the general statutes is amended by adding  
634 subsection (d) as follows (*Effective from passage*):

635 (NEW) (d) With the approval of the commissioner, any out-of-state  
636 bank, other than a foreign bank, may establish a loan production office  
637 in this state.

638 Sec. 16. Subdivision (1) of subsection (i) of section 47a-21 of the 2012  
639 supplement to the general statutes is repealed and the following is  
640 substituted in lieu thereof (*Effective from passage*):

641 (i) (1) On and after July 1, 1993, each landlord other than a landlord  
642 of a residential unit in any building owned or controlled by any  
643 educational institution and used by such institution for the purpose of  
644 housing students of such institution and their families, and each  
645 landlord or owner of a mobile manufactured home or of a mobile  
646 manufactured home space or lot or park, as such terms are defined in  
647 subdivisions (1), (2) and (3) of section 21-64, shall pay interest on each  
648 security deposit received by [him] such landlord or owner at a rate of  
649 not less than the average rate paid, as of December 30, 1992, on savings  
650 deposits by insured commercial banks as published in the Federal  
651 Reserve Board Bulletin rounded to the nearest one-tenth of one  
652 percentage point, except in no event shall the rate be less than one and  
653 one-half per cent. On and after January 1, [2012] 1994, the rate for each  
654 calendar year shall be not less than the deposit index, as defined in  
655 subdivision (2) of this subsection, for that year, except in no event shall  
656 the rate be less than one and one-half per cent. On and after January 1,  
657 2012, the rate for each calendar year shall be not less than the deposit  
658 index, as defined in subdivision (2) of this subsection, for that year. On  
659 the anniversary date of the tenancy and annually thereafter, such  
660 interest shall be paid to the tenant or resident or credited toward the  
661 next rental payment due from the tenant or resident, as the landlord or  
662 owner shall determine. If the tenancy is terminated before the  
663 anniversary date of such tenancy, or if the landlord or owner returns  
664 all or part of a security deposit prior to termination of the tenancy, the  
665 landlord or owner shall pay the accrued interest to the tenant or  
666 resident not later than thirty days after such termination or return. In  
667 any case where a tenant or resident has been delinquent for more than  
668 ten days in the payment of any monthly rent, such resident or tenant  
669 shall forfeit any interest that would otherwise be payable to such  
670 resident or tenant for that month, except that there shall be no such  
671 forfeiture if, pursuant to a provision of the rental agreement, a late  
672 charge is imposed for failure to pay such rent within the time period  
673 provided by section 47a-15a. No landlord or owner shall increase the  
674 rent due on any quarters or property subject to the provisions of this

675 section because of the requirement that interest be paid on any security  
 676 deposit made with respect to such quarters or property.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	36a-2
Sec. 2	<i>October 1, 2012</i>	36a-3
Sec. 3	<i>from passage</i>	36a-65(d)(1)
Sec. 4	<i>from passage</i>	36a-145(a)
Sec. 5	<i>from passage</i>	36a-145
Sec. 6	<i>from passage</i>	36a-261(f)
Sec. 7	<i>October 1, 2012</i>	36a-262(a)
Sec. 8	<i>October 1, 2012</i>	36a-380
Sec. 9	<i>October 1, 2012</i>	36a-381
Sec. 10	<i>October 1, 2012</i>	36a-382
Sec. 11	<i>October 1, 2012</i>	36a-383
Sec. 12	<i>October 1, 2012</i>	36a-384
Sec. 13	<i>October 1, 2012</i>	36a-385
Sec. 14	<i>from passage</i>	36a-412(a)(2)
Sec. 15	<i>from passage</i>	36a-412
Sec. 16	<i>from passage</i>	47a-21(i)(1)

**Statement of Purpose:**

To distinguish a loan production office from a branch and establish a streamlined approval process for such office; to expand the general prohibition on a corporation acting as a trustee to other types of entities; to require the review and approval of the governing board when a Connecticut bank excuses a borrower on amortization of interest on a mortgage loan; to conform the provisions on legal lending limits and de novo branching to the Dodd-Frank Wall Street Reform and Consumer Protection Act; and to make technical changes to the provisions concerning interest on security deposits.

*[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.]*