

# Bachand & Bachand

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## Testimony of Greg Bachand SB 979

Thursday, March 7, 2013

Mr. Chairman and Members of the Committee:

Good afternoon.

My comments will be brief. My name is Greg Bachand of the law firm of Bachand and Bachand with offices in Norwalk and Bridgeport. We serve our creditor clients in every judicial district in Connecticut.

I am also a member and officer of Connecticut Creditor's Bar Association. Before addressing any particular provisions of the bill I'd like to step back a bit, well, more than a bit... to 1776 actually, not to reference our Declaration of Independence, but to refresh our collective memory of Adam Smith's "invisible hand" metaphor from his seminal work *The Wealth of Nations*.

In a nutshell he states that self-interested decisions of millions will create market forces that automatically bring about the best results for society in general. In the instant case of this bill, and many of your deliberations, a creditor will grant credit (or not) and charge interest and fees or not, in direct relation to the ease by which he can recoup his money if the borrower defaults.

Thus, ANY action that makes it less likely that creditors will collect on judgments is not only bad for the creditors, but as importantly, bad for the consumers that seek credit to buy the things they want to buy. It follows from Adam Smith's work that many consumers will not be able to obtain credit at all if collection of judgments becomes too burdensome.

With that preamble, **I urge the Committee to consider that the Plaintiff should only be charged the bank execution fee of \$100.00 one time per superior court case.** The underlying principle here, and I know that all of you agree with this, is that if someone has the funds to pay the judgment against him, he should have to pay it. He or she should not be able to play a shell game of hide the money in this bank or that knowing that the more banks he uses the more the Plaintiff has to pay. One fee should cover finding the money where ever the debtor banks.

Otherwise, if a \$500.00 judgment is owed and an execution needs to be served 3 times the bank execution fee would be \$300.00. This fee would hurt both the plaintiff and the Defendant, since the cost of the execution is added to the judgment.

Obtaining a bank execution does not guarantee that any monies will actually be levied. The fee for a bank execution in Connecticut has gone from \$35.00 to \$100.00 since September of 2009, and it is unfair to compound plaintiff's losses - and add to the cost of the judgment which would harm a defendant.

I urge you to increase the credit available to consumers and business alike by making the process of collecting just debts and judgments as easy and efficient as possible.