March 7, 2013

The Honorable Senator Leone
The Honorable Representative Tong
Co-Chairmen, Joint Committee on Banks
Legislative Office Building, Room 2400
Capitol Avenue
Hartford, Connecticut 06106

SB 827 AN ACT CONCERNING PUBLIC DEPOSITS

Senator Leone, Representative Tong and Members of the Banks Committee:

I am writing on behalf of Connecticut's 125 credit unions.

We support the modification of the Public Deposits Statutes in SB 827. The Department of Banking and Treasurers Office has worked diligently to include all financial intuitions in the modification process, and we are appreciative to have had a seat at the table. Although many credit unions do not participate in the public deposit process, we are hopeful that the modernization of these statutes may be an encouragement to them.

The Public Deposits statutes have not been reviewed since 1990; this proposal is to ensure that the laws are updated and consistent with the current environment. The Department of Banking's changes to public deposits and collateral requirements are acceptable to us, and at this time we believe that the interests of credit unions have been adequately addressed. With these changes, the Banking Department and the Treasurer's Office have successfully found a process that better protects public deposits from risk but is more manageable for financial institutions.

Thank you very much for your time and consideration.

Dr. Anthony L. Emerson, DBA, CCUE, C.P.M.
President & CEO
The Credit Union League of Connecticut