



General Assembly

February Session, 2014

Raised Bill No. 5353

LCO No. 1690



Referred to Committee on BANKS

Introduced by:
(BA)

AN ACT CONCERNING CONNECTICUT'S FINANCIAL INSTITUTIONS.

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

1 Section 1. Subsection (o) of section 36a-145 of the 2014 supplement
2 to the general statutes is repealed and the following is substituted in
3 lieu thereof (*Effective October 1, 2014*):

4 (o) (1) With the approval of the commissioner, a Connecticut bank
5 may establish a loan production office in or outside this state.

6 (2) A Connecticut bank that proposes to close any loan production
7 office shall submit to the commissioner a notice of the proposed
8 closing not later than thirty days prior to the date proposed for such
9 closing. The notice shall include a detailed statement of the reasons for
10 the decision to close the loan production office and the statistical and
11 other information in support of such reasons. After receipt of the
12 notice, the commissioner may require the Connecticut bank to submit
13 any additional information. The Connecticut bank shall provide notice
14 of the proposed closing to its customers by posting a notice in a
15 conspicuous manner on the premises of such loan production office for

16 at least a thirty-day period ending on the date proposed for such
17 closing.

18 Sec. 2. Subsection (a) of section 36a-633 of the general statutes is
19 repealed and the following is substituted in lieu thereof (*Effective*
20 *October 1, 2014*):

21 (a) Each applicant for a license, at the time of making such
22 application, shall pay to the commissioner a nonrefundable license fee
23 of [~~four~~] two thousand five hundred dollars. Each license issued
24 pursuant to this subsection shall expire at the close of business on June
25 thirtieth of each year, unless such license is renewed. The license shall
26 not be transferable or assignable. Each licensee shall, on or before June
27 twentieth of each year, pay to the commissioner the sum of [~~four~~
28 hundred] one thousand dollars as a license renewal fee for the
29 succeeding year, commencing July first. Each applicant or licensee
30 shall pay the expenses of any examination or investigation made under
31 sections 36a-625 to 36a-634, inclusive.

32 Sec. 3. Subdivision (1) of subsection (d) of section 36a-65 of the
33 general statutes is repealed and the following is substituted in lieu
34 thereof (*Effective October 1, 2014*):

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

37 (A) Establishment of (i) a branch under subdivision (1) of subsection
38 (b) of section 36a-145, two thousand dollars; (ii) a mobile branch under
39 subdivision (1) of subsection (d) of section 36a-145, one thousand five
40 hundred dollars; (iii) a limited branch under subdivision (1) of
41 subsection (c) of section 36a-145, one thousand five hundred dollars;
42 (iv) a special need limited branch under subdivision (4) of subsection
43 (c) of section 36a-145, five hundred dollars; (v) an out-of-state branch
44 under subsection (j) of section 36a-145, a reasonable fee not to exceed
45 two thousand dollars from which any fees paid to a state other than
46 this state or to a foreign country in connection with the establishment

47 shall be deducted; and (vi) an out-of-state limited branch or mobile
48 branch under subsection (j) of section 36a-145, a reasonable fee not to
49 exceed one thousand five hundred dollars from which any fees paid to
50 a state other than this state or to a foreign country in connection with
51 the establishment shall be deducted.

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

58 (C) Relocation of (i) a main office of a Connecticut bank under
59 subsection (a) of section 36a-81, two thousand dollars; and (ii) a branch
60 or a limited branch under subsections (g) and (k) of section 36a-145,
61 [five hundred] one thousand dollars.

62 (D) Conversions from (i) a branch to a limited branch under
63 subdivision (3) of subsection (c) of section 36a-145; and (ii) a limited
64 branch to a branch under subdivision (3) of subsection (b) of section
65 36a-145, five hundred dollars.

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

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

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

74 (H) Organization of any Connecticut bank under section 36a-70,
75 including the conditional preliminary approval for an expedited bank,

76 fifteen thousand dollars, except no fee shall be required for the
77 organization of an interim Connecticut bank.

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

81 (J) Conversions under (i) sections 36a-135 to 36a-138, inclusive, five
82 thousand dollars; (ii) sections 36a-139, 36a-139a and 36a-469c, two
83 thousand five hundred dollars; and (iii) section 36a-139b, fifteen
84 thousand dollars.

85 (K) Acquiring, altering or improving real estate for present or future
86 use in the business of the bank or purchasing real estate adjoining any
87 parcel of real estate owned by the bank under subdivision (33) of
88 subsection (a) of section 36a-250, ~~[five hundred]~~ one thousand dollars,
89 except that no fee shall be charged for such application if it is filed in
90 connection with an application to (i) relocate a main office of a
91 Connecticut bank under subsection (a) of section 36a-81, ~~[or]~~ (ii)
92 relocate a branch or limited branch under subsections (g) and (k) of
93 section 36a-615, (iii) establish [(i)] a branch in this state under
94 subdivision (1) of subsection (b) of section 36a-145, [(ii)] (iv) establish a
95 limited branch in this state under subdivision (1) of subsection (c) of
96 section 36a-145, or [(iii)] (v) establish a branch or limited branch
97 outside of this state under subsection (j) of section 36a-145.

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

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

104 (N) Establishment of a loan production office under subsection (o)
105 of section 36a-145, as amended by this act, or subsection (d) of section

106 36a-412, one thousand dollars.

107 (O) Changing the name of any capital stock Connecticut bank or
108 mutual savings bank under section 36a-82, five hundred dollars,
109 except no fee shall be charged for such application if it is filed in
110 connection with an application to merge or consolidate under section
111 36a-125 or an acquisition statement filed with the commissioner under
112 section 36a-184.

113 Sec. 4. Section 36a-382 of the general statutes is repealed and the
114 following is substituted in lieu thereof (*Effective October 1, 2014*):

115 The commissioner shall annually or more often examine each entity
116 licensed under sections 36a-380 to 36a-386, inclusive, and special acts
117 93-12, 93-19 and 93-20, any provision in the charter, certificate of
118 incorporation, partnership agreement, articles of association, articles of
119 organization or similar document, as applicable, of any such entity to
120 the contrary notwithstanding, and shall require that such entity file an
121 annual report in such form as the commissioner may prescribe and
122 such other reports as the commissioner may require. Each such
123 licensed entity shall pay the cost of such examination as determined by
124 the commissioner and shall, in addition, pay to the commissioner an
125 annual license fee of [one] five hundred dollars. Such license fee shall
126 be payable not later than the thirtieth day of June in each year and the
127 fee for licenses granted upon any other date shall be prorated to the
128 thirtieth day of June next following the issuance thereof, provided no
129 fee for the unexpired portion of any license year shall be less than
130 twenty dollars.

131 Sec. 5. Subsection (a) of section 36a-428g of the general statutes is
132 repealed and the following is substituted in lieu thereof (*Effective*
133 *October 1, 2014*):

134 (a) No person shall establish or maintain a representative office in
135 this state on behalf of one or more foreign banks unless the foreign
136 bank to be represented has first obtained a license from the

137 commissioner. The application for such license shall be in writing
138 under oath and shall contain the information required by and be in the
139 form prescribed by the commissioner. Each applicant for a license shall
140 pay to the commissioner at the time of application a nonrefundable fee
141 of [~~four~~] two thousand five hundred dollars. Each license issued
142 pursuant to this section shall expire at the close of business on June
143 thirtieth of each year, unless such license is renewed. Each licensee
144 shall, on or before June twentieth of each year, pay to the
145 commissioner a license fee of [~~four hundred~~] one thousand dollars for
146 the succeeding year, commencing July first. No abatement of the
147 license fee shall be made if the license is surrendered, cancelled,
148 revoked or suspended prior to the expiration of the period for which it
149 was issued. The license shall not be transferable or assignable. Each
150 license issued under this section shall state the address or addresses at
151 which a representative office is to be located and shall state fully the
152 name of the licensee. In the event the location of the representative
153 office is changed, the licensee shall immediately notify the
154 commissioner who shall thereupon without charge attach to the license
155 an amendment certificate setting forth such changed location.

156 Sec. 6. Subdivision (3) of section 36a-2 of the general statutes is
157 repealed and the following is substituted in lieu thereof (*Effective*
158 *October 1, 2014*):

159 (3) "Automated teller machine" means a stationary or mobile
160 [~~unattended~~] device that is unattended or equipped with a telephone
161 or televideo device that allows contact with bank personnel, including
162 a satellite device but excluding a point of sale terminal, at which
163 banking transactions, including, but not limited to, deposits,
164 withdrawals, advances, payments or transfers, may be conducted;

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| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>October 1, 2014</i> | 36a-145(o) |
| Sec. 2 | <i>October 1, 2014</i> | 36a-633(a) |

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| Sec. 3 | <i>October 1, 2014</i> | 36a-65(d)(1) |
| Sec. 4 | <i>October 1, 2014</i> | 36a-382 |
| Sec. 5 | <i>October 1, 2014</i> | 36a-428g(a) |
| Sec. 6 | <i>October 1, 2014</i> | 36a-2(3) |

Statement of Purpose:

To require notification when a loan production office will be permanently closed, clarify that business and industrial development corporation licenses are not transferable or assignable, increase certain fees and expand the definition of automated teller machines.

[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.]