



Senate

General Assembly

File No. 301

February Session, 2018

Senate Bill No. 473

Senate, April 5, 2018

The Committee on Banking reported through SEN. WINFIELD of the 10th Dist. and SEN. MARTIN of the 31st Dist., Chairpersons of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING THE DEPARTMENT OF BANKING.

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

1 Section 1. Section 36a-1 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2018*):

3 This title shall be known as the "Banking Law of Connecticut" and
4 shall be applicable to all Connecticut banks, Connecticut credit unions,
5 mortgage lenders, mortgage correspondent lenders, mortgage brokers,
6 mortgage loan originators, loan processors or underwriters, money
7 transmitters, check cashers, trustees under mortgages or deeds of trust
8 of real property securing certain investments, corporations exercising
9 fiduciary powers, small loan lenders, business and industrial
10 development corporation licensees, sales finance companies, mortgage
11 servicers, debt adjusters, debt negotiators, consumer collection
12 agencies and to such other persons [as] who subject themselves to the
13 provisions of this title or who, by violating any of its provisions,
14 become subject to the penalties provided in this title.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2018</i>	36a-1

BA *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note***State Impact:*** None***Municipal Impact:*** None***Explanation***

The bill makes a minor change to a statute related to the Department of Banking and has no fiscal impact.

The Out Years***State Impact:*** None***Municipal Impact:*** None

OLR Bill Analysis**SB 473*****AN ACT CONCERNING THE DEPARTMENT OF BANKING.*****SUMMARY**

This bill expressly extends the application of Connecticut banking laws to business and industrial development corporations (BIDCOs). By law, these corporations are non-depository financial institutions approved, or seeking approval, to act as a participating lender under the federal Small Business Administration's loan guarantee programs. By law, they must be licensed by the banking commissioner and are subject to his jurisdiction (CGS §§ 36a-625 et seq.). By expressly subjecting BIDCOs to the provisions of the state's banking laws, the bill also subjects them to penalties, including the general penalties for violating banking laws (e.g., a fine of between \$25 and \$1,000 for each offense, see CGS § 36a-57).

EFFECTIVE DATE: October 1, 2018

COMMITTEE ACTION

Banking Committee

Joint Favorable

Yea 19 Nay 0 (03/20/2018)