

Banking Committee JOINT FAVORABLE REPORT

Bill No.: HB-6454

AN ACT CONCERNING NOTICE BY CONNECTICUT BANKS OF THE
Title: CLOSURE OF CERTAIN BRANCH OR LIMITED BRANCH LOCATIONS.

Vote Date: 3/17/2021

Vote Action: Joint Favorable

PH Date: 3/2/2021

File No.: 238

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SPONSORS OF BILL:

Banking Committee

REASONS FOR BILL:

This bill addresses the problems revolving around state-chartered banks closing and merging without the knowledge of chief elected officials. Without some notice of closure, a branch closing or merging with another can alter and shift community dynamics as constituents can lose work and accessibility to the bank. This bill will enforce not only a report about why the closure occurred but what the bank has planned for the property after the close. By enforcing that banks communicate to chief elected officials, we are creating a dialogue between the banks and the municipality that will allow the community to plan accordingly when the closure occurs.

RESPONSE FROM ADMINISTRATION/AGENCY:

None Expressed

Jeff Gentes, Connecticut Fair Housing Center and Housing Clinic – The Connecticut Fair Housing Center and Housing Clinic supports the bill. They stated that they “are concerned about the recent spike in branch closures. This would help DOB ensure a community had a voice whenever a bank intended to close a branch in their area”.

NATURE AND SOURCES OF OPPOSITION:

Stephen Lewis, President and CEO of Thomaston Savings Bank (Verbal) – Stephen Lewis, on behalf of Thomaston Savings Bank, believes this bill will create a more complicated

and unfair closing process as it only targets state-chartered banks rather than federal-chartered and credit unions.

Reported by: Jennifer Mouser / Dawn Marzik

Date: March 23, 2021