



General Assembly

January Session, 2023

Raised Bill No. 1088

LCO No. 4282



Referred to Committee on BANKING

Introduced by:

(BA)

AN ACT CONCERNING FINANCIAL EXPLOITATION OF SENIOR CITIZENS.

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

1 Section 1. Section 36b-14 of the general statutes is amended by adding
2 subsection (f) as follows (*Effective October 1, 2023*):

3 (NEW) (f) (1) For purposes of this subsection, unless the context
4 otherwise requires:

5 (A) "Eligible adult" means any: (i) Resident of the state who is sixty
6 years of age or older; or (ii) adult who is in the care or custody of the
7 Department of Social Services or any successor agency;

8 (B) "Financial exploitation" means the act or process of taking
9 advantage of an eligible adult by another person or caretaker whether
10 for a monetary, personal or other benefit, gain or profit. Such conduct
11 includes, but is not limited to: (i) The wrongful or unauthorized taking,
12 withholding, appropriation or use of an eligible adult's money, assets or
13 property; (ii) any act or omission taken by a person, including, but not
14 limited to, through the use of a power of attorney, guardianship or

15 conservatorship of an eligible adult, to obtain control, through
16 deception, intimidation or undue influence, over the eligible adult's
17 money, assets or property and deprive such eligible adult of the
18 ownership, use, benefit or possession of such eligible adult's money,
19 assets or property; and (iii) converting an eligible adult's money, assets
20 or property to deprive the eligible adult of the ownership, use, benefit
21 or possession of such money, assets or property; and

22 (C) "Qualified person" means: (i) A broker-dealer, investment
23 adviser, broker-dealer agent or investment adviser agent registered, or
24 required to be registered, under this chapter; or (ii) any person serving
25 in a supervisory, compliance or legal capacity for such broker-dealer or
26 investment adviser.

27 (2) (A) If a qualified person has reasonable cause to suspect or believe
28 that financial exploitation of an eligible adult may have occurred, been
29 attempted or is being attempted, the qualified person may promptly
30 disclose to the Commissioner of Social Services and the Banking
31 Commissioner such financial exploitation or suspected exploitation, and
32 the basis for such suspicion or belief in any reasonable manner.

33 (B) A qualified person who, in good faith and exercising reasonable
34 care, voluntarily discloses information pursuant to subparagraph (A) of
35 this subdivision shall be immune from administrative or civil liability
36 that might otherwise arise solely from such disclosure or for any failure
37 to notify the customer or client of such disclosure. Such immunity shall
38 not attach where the qualified person was a participant in the financial
39 exploitation or suspected financial exploitation described in such
40 disclosure. This subdivision shall not affect existing laws imposing
41 criminal liability, including, but not limited to, laws governing perjury
42 or fraudulent or malicious reporting.

43 (3) (A) Where an eligible adult has designated a third party as a
44 trusted contact person to discuss the eligible adult's financial affairs, the
45 qualified person may disclose to such third party such financial
46 exploitation or suspected financial exploitation unless such qualified

47 person reasonably believes that the third party is involved in such
48 financial exploitation, suspected financial exploitation or other abuse of
49 the eligible adult.

50 (B) A qualified person who, in good faith and exercising reasonable
51 care, makes a disclosure to a third-party trusted contact person pursuant
52 to this subdivision shall be immune from administrative or civil liability
53 that might otherwise arise solely from such disclosure. Such immunity
54 shall not attach where the qualified person was a participant in the
55 misconduct described in such disclosure. This subdivision shall not
56 affect existing laws imposing criminal liability.

57 (C) Except in the case of an institutional account, an investment
58 adviser registered or required to be registered under this chapter shall
59 maintain records reflecting the name and contact information for any
60 trusted contact person who is at least eighteen years of age and whom
61 an advisory client has designated to be contacted concerning the client's
62 account. At the time the advisory account is opened or updated, the
63 investment adviser shall disclose to the client in writing, which may be
64 in an electronic format, that the adviser is authorized to contact the
65 trusted contact person and disclose information about the client's
66 account to address possible financial exploitation, confirm the specifics
67 of the client's current contact information, health status or the identity
68 of any legal guardian, executor, trustee or holder of a power of attorney.
69 The absence of the name of, or contact information for, a trusted contact
70 person shall not prevent an investment adviser from opening or
71 maintaining an account for a client, provided the adviser makes
72 reasonable efforts to obtain the name of, and contact information for, a
73 trusted contact person.

74 (4) (A) A broker-dealer or investment adviser may place a temporary
75 hold on a disbursement of funds or securities or a transaction in
76 securities from the account of an eligible adult, including, but not
77 limited to, an account of which an eligible adult is a beneficiary, if: (i)
78 The broker-dealer or investment adviser reasonably believes that
79 financial exploitation of the eligible adult has occurred, is occurring, has

80 been attempted or will be attempted; (ii) the broker-dealer or investment
81 adviser, not later than two business days after the date that the broker-
82 dealer or investment adviser first placed such temporary hold, provides
83 oral or written notification, which may be in an electronic format, of the
84 temporary hold and the reason therefor to all parties authorized to
85 transact business on the account and to the trusted contact person, if
86 any, unless such party or trusted contact person is unavailable or the
87 broker-dealer or investment adviser reasonably believes that the party
88 or trusted contact person has engaged, is engaged, or will engage in
89 financial exploitation of the eligible adult; and (iii) the broker-dealer or
90 investment adviser immediately initiates an internal review of the facts
91 and circumstances that caused the broker-dealer or investment adviser
92 to reasonably believe that financial exploitation of the eligible adult has
93 occurred, is occurring, has been attempted or will be attempted.

94 (B) The temporary hold authorized by subparagraph (A) of this
95 subdivision shall expire not later than fifteen business days after the
96 date when the broker-dealer or investment adviser first places the
97 temporary hold on the disbursement of funds or securities or the
98 transaction in securities unless otherwise terminated or extended by a
99 state regulator, agency of competent jurisdiction or court of competent
100 jurisdiction, or extended by the broker-dealer or investment adviser
101 pursuant to subparagraph (C) of this subdivision.

102 (C) If the internal review initiated pursuant to subparagraph (A) of
103 this subdivision supports the broker-dealer's or investment adviser's
104 reasonable belief that financial exploitation of the eligible adult has
105 occurred, is occurring, has been attempted, or will be attempted, the
106 temporary hold authorized by this subdivision may be extended by the
107 broker-dealer or investment adviser for not longer than ten business
108 days following the date established by subparagraph (B) of this
109 subdivision, unless otherwise terminated or extended by a state
110 regulator, agency of competent jurisdiction or court of competent
111 jurisdiction, or extended pursuant to subparagraph (D) of this
112 subdivision.

113 (D) If the internal review initiated pursuant to subparagraph (A) of
114 this subdivision supports the broker-dealer's or investment adviser's
115 reasonable belief that the financial exploitation of the eligible adult has
116 occurred, is occurring, has been attempted, or will be attempted and the
117 broker-dealer or investment adviser has reported or provided
118 notification of such reasonable belief to a state regulator, agency of
119 competent jurisdiction or court of competent jurisdiction, the temporary
120 hold authorized by this subdivision may be extended by the broker-
121 dealer or investment adviser for not longer than thirty business days
122 following the date established by subparagraph (C) of this subdivision,
123 unless otherwise terminated or extended by a state regulator, agency of
124 competent jurisdiction or court of competent jurisdiction.

125 (E) Nothing in this subdivision shall preclude the Banking
126 Commissioner, the Commissioner of Social Services or the Probate
127 Court from sooner terminating or extending the temporary hold upon
128 contemporaneous written notice to the broker-dealer or investment
129 adviser.

130 (5) (A) A registered broker-dealer or investment adviser shall provide
131 access to, or copies of, records that are relevant to the suspected or
132 attempted financial exploitation of an eligible adult to the commissioner
133 and to a law enforcement agency, as part of a referral to the
134 commissioner or a law enforcement agency, or upon a request made by
135 the commissioner or law enforcement agency pursuant to an
136 investigation or examination, as the case may be. Nothing in this
137 subsection shall limit or otherwise impede the authority of the
138 commissioner to access or examine the books and records of broker-
139 dealers and investment advisers as provided by other applicable law.
140 All records made available to agencies under this subsection shall not
141 be considered public records for purposes of chapter 14. Pursuant to
142 subsection (c) of section 36b-31, the commissioner may share and
143 exchange with affected social services regulators information and
144 documents related to the suspected financial exploitation.

145 (B) (i) In the case of a broker-dealer, such records relevant to the

146 suspected or attempted financial exploitation, described in
147 subparagraph (A) of this subdivision, shall include the records
148 prescribed under the Securities Exchange Act of 1934 and the
149 regulations thereunder, as amended from time to time, and applicable
150 self-regulatory organization rules.

151 (ii) In the case of an investment adviser registered or required to be
152 registered with the commissioner, such records relevant to the
153 suspected or attempted financial exploitation, described in
154 subparagraph (A) of this subdivision, shall include documentation: (I)
155 Of relevant requests for disbursements; (II) supporting any
156 disbursement delay; (III) supporting the investment adviser's
157 reasonable belief that financial exploitation has occurred or is occurring;
158 (IV) of the name and title of the person authorizing the disbursement
159 delay; (V) of notifications to affected parties; and (VI) relating to the
160 investment adviser's internal review of the matter.

161 (6) A broker-dealer or investment adviser subject to this subsection
162 shall, to the extent not inconsistent with federal law, develop training
163 policies or programs reasonably designed to ensure that qualified
164 persons understand and can effectively carry out the provisions of this
165 subsection where necessary.

166 (7) A broker-dealer or investment adviser that, in good faith and
167 exercising reasonable care, complies with this subsection shall be
168 immune from any administrative or civil liability that might otherwise
169 arise from any action taken by such broker-dealer or investment adviser
170 that is permitted by this subsection.

171 (8) If any provision of this subsection is preempted by federal law,
172 the provisions of federal law shall control.

173 Sec. 2. (NEW) (*Effective October 1, 2023*) (a) As used in this section:

174 (1) "Account" means a customer asset or liability account, including,
175 but not limited to, a safe deposit box, that is established primarily for
176 personal, family or household purposes and that a financial institution

177 holds on behalf of an elderly person;

178 (2) "Commissioner" means the Banking Commissioner and, with
179 respect to any function of the commissioner, includes any person
180 authorized or designated by the commissioner to carry out such
181 function;

182 (3) "Elderly person" means any resident of the state who is not less
183 than sixty years of age;

184 (4) "Financial agent" means an employee of a financial institution
185 who, within the employee's scope of employment, has direct contact
186 with an elderly person or reviews or approves an elderly person's
187 financial documents, records or transactions;

188 (5) "Financial exploitation" means the use, control over or
189 withholding of property, income, resources or trust funds of an elderly
190 person by any person or entity, including, but not limited to, an agent
191 of such elderly person pursuant to a power of attorney, for any such
192 person's or entity's profit or advantage at the expense of such elderly
193 person's property, income, resources or trust funds, including, but not
194 limited to, an act constituting a breach of such person's or entity's
195 fiduciary duty to such elderly person, or forcing, compelling or exerting
196 undue influence over such elderly person to cause such elderly person
197 to engage in a transaction or disbursement;

198 (6) "Financial institution" means any Connecticut bank or
199 Connecticut credit union, any institution that engages in the business of
200 banking or a credit union that is chartered out-of-state, and any
201 subsidiary or affiliate of any such bank, credit union or institution. For
202 purposes of this subdivision, "Connecticut bank" has the same meaning
203 as provided in section 36a-2 of the general statutes, and "Connecticut
204 credit union" has the same meaning as provided in section 36a-2 of the
205 general statutes;

206 (7) "Out-of-state" has the same meaning as provided in section 36a-2
207 of the general statutes;

208 (8) "Suspected exploitation policy" means a written policy for any
209 actions permitted by this section when financial exploitation of an
210 elderly person is suspected;

211 (9) "Transaction" includes, but is not limited to, providing access to
212 (A) a safe deposit box, or (B) any nonpublic personal information of an
213 elderly person. For purposes of this subdivision, "nonpublic personal
214 information" has the same meaning as provided in Subtitle A of Title V
215 of the Gramm-Leach-Bliley Financial Modernization Act of 1999, 15 USC
216 6809, and the regulations promulgated thereunder, as amended from
217 time to time; and

218 (10) "Trusted contact person" means an individual that an elderly
219 person identifies and authorizes a financial institution to, at the financial
220 institution's option, contact and disclose information about the account
221 to address possible financial exploitation, or to confirm the specifics of
222 the account holder's current contact information, health status, or the
223 identity of any legal guardian, executor, trustee or holder of a power of
224 attorney.

225 (b) The provisions of this section applicable to financial institutions
226 may be applied to national banking associations, federal savings banks,
227 federal savings and loan associations, or institutions chartered or
228 organized as a federal credit union under the laws of the United States,
229 to the extent that such entities have voluntarily implemented the
230 requirements of this section and provided any such provision is not
231 expressly preempted by federal law, rule, regulation or order.

232 (c) (1) If a financial institution or financial agent has reasonable cause
233 to believe that a transaction or disbursement involving an elderly
234 person's account may involve, facilitate, result in or contribute to
235 financial exploitation of such elderly person, the financial institution or
236 financial agent may suspend the transaction or disbursement for not
237 more than seven business days. Thereafter, the elderly person may
238 renew or resume the transaction or disbursement request and the
239 financial institution shall honor the request unless (A) the financial

240 institution elects to extend the suspension for an additional seven
241 business days for reasonable cause and in accordance with the financial
242 institution's suspected exploitation policy, or (B) the financial institution
243 cannot process the transaction or disbursement due to an applicable
244 law, court order, regulatory requirement or private rule to which the
245 financial institution is subject that governs the processing, clearing or
246 payment of transactions or disbursements.

247 (2) If a financial institution or financial agent has reasonable cause to
248 believe that such institution or agent may be subject to any penalty or
249 liability under any law, regulation, or governmental or private rule that
250 governs the processing, clearing or payment of transactions or
251 disbursements, as a result of a suspension of a transaction or
252 disbursement pursuant to subdivision (1) of this subsection, such
253 institution or agent may decline or return such transaction or
254 disbursement.

255 (3) A financial institution that has suspended, declined or returned a
256 transaction or disbursement pursuant to this subsection shall notify (A)
257 all account holders of such action, unless the financial institution
258 reasonably believes that an account holder is involved in the suspected
259 financial exploitation or other abuse of the elderly person, and (B) the
260 trusted contact person, if any, unless such trusted contact person is
261 unavailable or the financial institution reasonably believes that the
262 trusted contact person has engaged, is engaged or will engage in
263 financial exploitation of the elderly person.

264 (d) (1) Except as provided in subsection (e) of this section, a financial
265 agent shall be immune from any administrative or civil liability under
266 the laws of this state for any action permitted by this section.

267 (2) Except as provided in subsection (e) of this section, a financial
268 institution that takes any action permitted by this section in good faith
269 shall be immune from any administrative or civil liability under the laws
270 of this state that may otherwise arise from taking such action. For
271 purposes of this subsection, "good faith" exists if:

272 (A) The financial agent who makes the decision to take such action
273 has participated in the mandatory training required by section 17b-463
274 of the general statutes;

275 (B) The financial institution has provided prior written or electronic
276 notice, including as part of a deposit account contract or related
277 disclosures, that the financial institution has a suspected exploitation
278 policy by which such institution may suspend transactions or
279 disbursements to an elderly person in whose name the affected account
280 is held. Notice provided to any person who holds, or is otherwise
281 authorized to have access to, the affected account shall constitute notice
282 to all other persons who hold the affected account. Nothing in this
283 subsection shall be construed to require a financial institution to disclose
284 a copy of such institution's suspected exploitation policy to any account
285 holder;

286 (C) The financial institution or financial agent reports the suspected
287 financial exploitation pursuant to subsection (c) of section 17b-451 of the
288 general statutes, unless (i) any suspension is revoked by the financial
289 institution not later than two business days after such suspension, or (ii)
290 any transaction or disbursement declined or returned by the financial
291 institution is reinitiated and processed by the financial institution not
292 later than two business days after the transaction or disbursement is
293 declined or returned by the financial institution;

294 (D) The financial institution has established a written suspected
295 exploitation policy; and

296 (E) The financial institution retains a record of the suspected financial
297 exploitation, including, but not limited to, any reports to social services,
298 regulatory or law enforcement agencies and supporting documents.
299 Such record shall be retained by the financial institution for a period of
300 seven years.

301 (e) No immunity under subsection (d) of this section shall attach
302 where the financial agent or any other employee of the financial
303 institution was a participant in the suspected financial exploitation.

304 (f) A financial institution may ask the holder or holders of an account
305 held by an elderly person to identify a trusted contact person.

306 Sec. 3. (NEW) (*Effective October 1, 2023*) (a) For purposes of this
307 section:

308 (1) "Elderly person" means an eligible adult, as defined in section 36b-
309 14 of the general statutes, as amended by this act, an elderly person, as
310 defined in section 2 of this act, or an individual who would qualify as
311 an eligible adult or elderly person if such individual were a resident of
312 the state;

313 (2) "Financial institution" means a qualified person, as defined in
314 section 36b-14 of the general statutes, as amended by this act, any entity
315 employing a qualified person, or a financial agent or financial
316 institution, as defined in section 2 of this act; and

317 (3) "Financial hold" means the refusal of a financial institution to (A)
318 complete any transaction, including, but not limited to, a transaction as
319 defined in section 2 of this act, or (B) disburse the proceeds of any
320 transaction upon a deposit account, funds, safe deposit box, securities
321 or other property in the custody of the financial institution.

322 (b) An elderly person, or the legal representative of the elderly
323 person, may petition the Probate Court to remove a financial hold
324 imposed by a financial institution under section 2 of this act. The petition
325 shall be filed in the probate district in which the elderly person resides,
326 is domiciled or is located at the time such petition is filed or, if the
327 elderly person does not reside in this state and is not domiciled or
328 currently located in this state, in the probate district where the financial
329 institution maintains an office. The petition shall recite: (1) The name,
330 date of birth and address of the elderly person; (2) the name and address
331 of the elderly person's conservator or guardian, if any; (3) the name and
332 address of the petitioner; (4) the name and address of the financial
333 institution imposing the financial hold; (5) whether the Department of
334 Social Services is known to be investigating the welfare of the elderly
335 person; (6) whether a petition to appoint a conservator or guardian is

336 pending in any court; (7) a description of the transaction that is the
337 subject of the financial hold; and (8) a statement as to why the
338 transaction will not result in financial exploitation of the elderly person.

339 (c) The Probate Court shall give notice of the hearing on the petition
340 by regular mail to each person and institution identified in subdivisions
341 (1) to (4), inclusive, of subsection (b) of this section and to the
342 Commissioner of Social Services. Unless continued by the Probate Court
343 for cause shown, the hearing on the petition shall be held not later than
344 ten days following receipt of the petition by the Probate Court.

345 (d) If the Probate Court determines that there is no reasonable cause
346 to conclude that the transaction or disbursement that is the subject of the
347 hold may involve, facilitate, result in, or contribute to the financial
348 exploitation of the elderly person, or finds that the elderly person is not
349 a resident of the state, the Probate Court shall order that the financial
350 hold be released. If the Probate Court determines that there is such
351 reasonable cause, the Probate Court may order that the financial hold be
352 continued or modified for a period not to exceed thirty days from the
353 date of the order or until the appointment of a conservator or guardian
354 for the elderly person, whichever occurs first.

355 (e) Notwithstanding any other provision of this section, the probate
356 court having jurisdiction over a conservatorship of the estate of an
357 elderly person or a pending petition to appoint a conservator of the
358 estate of an elderly person may, on the petition of a party to such
359 conservatorship or petition, order the release, continuation or
360 modification of a financial hold on any terms the Probate Court deems
361 appropriate.

362 (f) Upon disposition of a petition under this section, the Probate
363 Court may order that the petitioner be reimbursed for the fee to file the
364 petition set forth in subsection (b) of section 45a-106a of the general
365 statutes, as amended by this act, as the Probate Court deems equitable,
366 except that no financial agent shall be responsible for such
367 reimbursement and a financial institution shall only be liable for such

368 reimbursement if the Probate Court finds that the financial institution
369 did not have reasonable cause to believe that a transaction or
370 disbursement involving an account of an elderly person may have
371 involved, facilitated, resulted in or contributed to the financial
372 exploitation of such elderly person.

373 Sec. 4. Subdivision (10) of subsection (b) of section 45a-106a of the
374 general statutes, as amended by section 52 of public act 22-26, is
375 repealed and the following is substituted in lieu thereof (*Effective October*
376 *1, 2023*):

377 (10) With respect to an elderly person, as defined in section 17b-450
378 or section 2 of this act, or an eligible adult, as defined in section 36b-14,
379 as amended by this act: (A) Enjoin an individual from interfering with
380 the provision of protective services to such elderly person, [and] (B)
381 authorize the Commissioner of Social Services to enter the premises of
382 such elderly person to determine whether such elderly person needs
383 protective services, and (C) release a financial hold imposed by a
384 financial institution;

385 Sec. 5. Subsection (b) of section 36a-290 of the general statutes is
386 repealed and the following is substituted in lieu thereof (*Effective October*
387 *1, 2023*):

388 (b) The establishment of a deposit account or share account which is
389 a joint account under subsection (a) of this section is, in the absence of
390 fraud or undue influence [.] or [other clear and convincing] a
391 preponderance of the evidence to the contrary, prima facie evidence of
392 the intention of all of the named owners thereof to vest title to such
393 account, including all subsequent deposits and additions made thereto,
394 in such survivor or survivors, in any action or proceeding between any
395 two or more of the depositors, respecting the ownership of such account
396 or its proceeds.

397 Sec. 6. Section 36a-318 of the general statutes is repealed and the
398 following is substituted in lieu thereof (*Effective October 1, 2023*):

399 (a) Except as provided in subsection (c) of this section, prior to
400 opening a new deposit account for any depositor or prospective
401 depositor: (1) Each financial institution shall deliver to such depositor
402 or prospective depositor in written form which the depositor can keep
403 a copy of (A) the deposit contract, (B) a listing of deposit account charges
404 and the conditions under which such charges will be imposed
405 including, but not limited to, failure to maintain a minimum balance,
406 and (C) if such account is a time account, deposit account disclosures
407 that govern such account; and (2) each financial institution, other than a
408 Connecticut credit union or federal credit union, shall deliver to each
409 depositor or prospective depositor deposit account disclosures that
410 govern such account if such account is a savings account.

411 (b) The deposit account disclosures and listing of deposit account
412 charges may be contained in more than one document and may be
413 combined with disclosures, fees and contract terms for other accounts
414 as long as the deposit account disclosures and deposit account charges
415 are disclosed clearly and conspicuously and it is clear which deposit
416 account disclosures and deposit account charges are applicable to the
417 types of deposit accounts maintained by the depositor.

418 (c) If all or any part of a maturing or otherwise expiring time account
419 is automatically deposited by renewal, roll-over or otherwise in a new
420 deposit account within thirty days after expiration, the provisions of
421 subsection (a) of this section shall not apply to such new account, except
422 that if the annual percentage yield on such new account is lower than
423 the annual percentage yield on the expiring account, and the maturing
424 time account has a term to maturity of longer than thirty-one days, the
425 financial institution shall deliver to the depositor the notice as required
426 by this subsection. Such notice shall be delivered at least thirty calendar
427 days before the maturity of the existing time account. Alternatively,
428 such notice may be delivered at least twenty calendar days before the
429 end of the grace period on the existing account, provided a grace period
430 of at least five calendar days is allowed. For purposes of this subsection,
431 a grace period means a period following the maturity of an
432 automatically renewing time account during which the depositor may

433 withdraw funds without being assessed a penalty. The notice shall recite
434 the deposit account disclosures and deposit account charges, including
435 the conditions under which such charges will be imposed, applicable to
436 the new account, along with the date the existing account matures and
437 the new maturity date if the account is renewed; provided if the interest
438 rate and annual percentage yield that will be paid for the new account
439 are unknown when the notice is provided, the notice shall state that
440 those rates have not yet been determined, the date when they will be
441 determined and a telephone number the depositor may call to obtain the
442 interest rate and the annual percentage yield that will be paid for the
443 new account. Notwithstanding any provisions of the general statutes to
444 the contrary, if the term to maturity of the maturing time account is one
445 year or less but longer than thirty-one days, the notice is not required to
446 contain the information recited in this subsection other than (1) the date
447 the existing account matures and the new maturity date if the account
448 is renewed; (2) the interest rate and the annual percentage yield if they
449 are known, or if the rates have not yet been determined, the date they
450 will be determined and a telephone number the depositor may call to
451 obtain the interest rate and the annual percentage yield that will be paid
452 for the new account; and (3) any difference in the terms of the new
453 account compared to the deposit account disclosures and deposit
454 account charges governing the existing account.

455 (d) Except for deposit accounts for which a financial institution sends
456 periodic statements, each financial institution that has a policy of
457 imposing dormancy fees in connection with inactive deposit accounts
458 shall, not less than fifteen days prior to the date the institution may
459 impose a dormancy fee, mail a notice to the depositor. The notice shall
460 be printed in capital letters in no less than twelve-point boldface type
461 and shall state that the account will become inactive and that a
462 dormancy fee may be imposed by the financial institution as a result of
463 such inactivity. Such notice shall be mailed to the last-known mailing
464 address maintained by the institution for the deposit account.

465 (e) (1) Except as provided in subdivision (2) of this subsection, each
466 financial institution, upon the closing of a deposit account, shall, not

467 later than ten business days after closing the deposit account, (A) mail a
468 written notice setting forth the reason for closing the deposit account to
469 the depositor at the address the financial institution has on record for
470 the depositor, or (B) if the depositor consented to the delivery of
471 correspondence from the financial institution by electronic mail, send a
472 notice by electronic mail setting forth the reason for closing the deposit
473 account to the depositor at the electronic mail address the financial
474 institution has on record for the depositor.

475 (2) The notice requirements set forth in subdivision (1) of this
476 subsection shall not apply if: (A) The financial institution closes the
477 deposit account because of the financial institution's reasonable belief
478 that the deposit account is being used for fraudulent or other illegal
479 purposes or that one or more depositors are engaging in fraudulent or
480 other illegal activity; (B) the financial institution closes the deposit
481 account because of information it receives indicating that a local, state,
482 or federal law enforcement or regulatory agency is investigating
483 whether any fraudulent or other illegal activity involving the deposit
484 account or any depositor has occurred; (C) the financial institution is
485 asked or directed by any court or local, state or federal law enforcement
486 or regulatory agency to refrain from providing information pertaining
487 to the closing of the deposit account to the depositor; (D) the financial
488 institution is prohibited by state or federal law or regulation from
489 providing such notice; (E) the financial institution has a reasonable
490 belief that providing such notice may put any employee of the financial
491 institution at risk of physical or emotional harm caused by a depositor;
492 or (F) the financial institution complies with any state or federal law that
493 requires the financial institution to provide notice to one or more
494 depositors of the closing of the account.

495 (f) (1) Each financial institution shall comply with the applicable
496 provisions of the Electronic Signatures in Global and National
497 Commerce Act, 15 USC 7001 et seq., as amended from time to time, that
498 (A) require a financial institution to obtain a consumer's consent before
499 the financial institution provides to the consumer periodic statements in
500 an electronic form, (B) allow a consumer to withdraw such consent, and

501 (C) require a financial institution to provide to a consumer a paper copy
502 of any electronic periodic statement upon the consumer's request for
503 such paper copy.

504 (2) Each such financial institution shall comply with the applicable
505 provisions of the Connecticut Uniform Electronic Transactions Act,
506 sections 1-266 to 1-286, inclusive, before providing to a consumer
507 periodic statements in an electronic form.

508 (3) Each financial institution shall comply with the applicable
509 provisions of the Truth in Savings Act, 12 USC 4301 et seq., and the
510 regulations promulgated pursuant to said act, as said act and such
511 regulations may be amended from time to time, before providing to a
512 consumer periodic statements in an electronic form.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2023	36b-14(f)
Sec. 2	October 1, 2023	New section
Sec. 3	October 1, 2023	New section
Sec. 4	October 1, 2023	45a-106a(b)(10)
Sec. 5	October 1, 2023	36a-290(b)
Sec. 6	October 1, 2023	36a-318

Statement of Purpose:

To establish procedures to protect the elderly from financial exploitation.

[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.]