



General Assembly

January Session, 2025

Committee Bill No. 1093

LCO No. 4661



Referred to Committee on BANKING

Introduced by:
(BA)

***AN ACT ALLOWING CERTAIN COMMERCIAL FINANCING
CONTRACTS TO CONTAIN PROVISIONS WAIVING THE RIGHT TO
NOTICE, JUDICIAL HEARING OR PRIOR COURT ORDER IN
CONNECTION WITH A PREJUDGMENT REMEDY.***

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

1 Section 1. Section 36a-868 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2025*):

3 [No] (a) Except as provided in subsection (b) of this section, no
4 commercial financing contract entered into on or after July 1, 2024, shall
5 contain any provision waiving a recipient's right to notice, judicial
6 hearing or prior court order under chapter 903a in connection with the
7 provider obtaining any prejudgment remedy, including, but not limited
8 to, attachment, execution, garnishment or replevin [] upon commencing
9 any litigation against the recipient. Any such provision in a commercial
10 financing contract entered into on or after July 1, 2024, shall be
11 unenforceable.

12 (b) (1) A commercial financing contract that is entered into on or after
13 October 1, 2025, and provides for the extension of sales-based financing
14 in an amount exceeding one hundred thousand dollars, may contain a

15 provision waiving a recipient's right to notice, judicial hearing or prior
 16 court order under chapter 903a in connection with the provider
 17 obtaining any prejudgment remedy, including, but not limited to,
 18 attachment, execution, garnishment or replevin upon commencing any
 19 litigation against the recipient.

20 (2) Any such commercial financing contract that contains such a
 21 provision, as described in subdivision (1) of this subsection, shall clearly
 22 and conspicuously disclose that: (A) The issuance of a prejudgment
 23 remedy to attach or garnish a recipient's money or other property may
 24 occur without notice being provided to the recipient or a hearing taking
 25 place; and (B) after the issuance of a prejudgment remedy to attach or
 26 garnish a recipient's money or other property, the recipient has the right
 27 to request a hearing with the Superior Court to seek to modify or
 28 dissolve such prejudgment remedy in accordance with the provisions of
 29 chapter 903a.

This act shall take effect as follows and shall amend the following sections:

Section 1	October 1, 2025	36a-868
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Statement of Purpose:

To allow certain commercial financing contracts to contain a provision waiving the commercial financing recipient's right to notice, judicial hearing or prior court order in connection with the commercial financing provider obtaining a prejudgment remedy.

[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.]

Co-Sponsors: SEN. BERTHEL, 32nd Dist.

S.B. 1093