



General Assembly

January Session, 2025

Raised Bill No. 1256

LCO No. 4115



Referred to Committee on BANKING

Introduced by:
(BA)

***AN ACT CONCERNING THE ORGANIZATION, ADMINISTRATION AND
RECEIVERSHIP OF CERTAIN FINANCIAL INSTITUTIONS.***

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

1 Section 1. Subparagraph (H) of subdivision (1) of subsection (d) of
2 section 36a-65 of the general statutes is repealed and the following is
3 substituted in lieu thereof (*Effective July 1, 2025*):

4 (H) Organization of any Connecticut bank under section 36a-70, as
5 amended by this act, including the conditional preliminary approval for
6 an expedited bank, [fifteen] twenty thousand dollars, except no fee shall
7 be required for the organization of an interim Connecticut bank.

8 Sec. 2. Subsections (h) to (u), inclusive, of section 36a-70 of the general
9 statutes are repealed and the following is substituted in lieu thereof
10 (*Effective July 1, 2025*):

11 (h) (1) The application shall be approved if the approving authority
12 determines that: (A) The interest of the public will be served to
13 advantage by the establishment of the proposed Connecticut bank; (B)
14 the proposed bank shows reasonable promise of successful operation;

15 and (C) the proposed directors and officers possess the capacity,
16 character and experience for the duties and responsibilities with which
17 they will be charged.

18 (2) In determining whether the public will be served to advantage
19 under subdivision (1) of this subsection, the approving authority shall
20 consider the following factors in light of the proposed business plan of
21 the proposed Connecticut bank: (A) The [population of the area to be
22 served by the proposed Connecticut bank; (B) the] competitive effect of
23 the proposed Connecticut bank on the availability and quality of
24 services in the market area to be served; [(C)] (B) the likely impact of the
25 proposed Connecticut bank on other financial institutions in the market
26 area to be served; and [(D)] (C) the convenience and needs of the market
27 area to be served.

28 (3) Except as otherwise provided in subsections (p), (q), (r), (s) and (t)
29 of this section, the approving authority shall be, in the case of an
30 application to organize a bank and trust company or a capital stock
31 savings bank, a majority of the commissioner, State Treasurer, and State
32 Comptroller, and, in the case of an application to organize a mutual
33 savings bank or a mutual or capital stock savings and loan association,
34 the commissioner acting alone.

35 (i) If the application is approved by the approving authority, a
36 temporary certificate of authority, valid for eighteen months, shall be
37 issued to the organizers authorizing them to complete the organization
38 of the Connecticut bank. The organizers shall thereupon file one copy of
39 the temporary certificate of authority and one copy of the certificate of
40 incorporation with the Secretary of the State. The commissioner may,
41 upon the application of the organizers and after a hearing thereon,
42 extend, for cause, the period for which the temporary certificate of
43 authority is valid.

44 (j) If the application is not approved by the approving authority, the
45 approving authority shall, in writing, so notify the organizers. An

46 appeal from the decision approving or disapproving the application
47 may be taken in accordance with chapter 54.

48 (k) (1) Prior to the issuance of a final certificate of authority, the
49 organizers may (A) with the approval of the commissioner, amend the
50 proposed certificate of incorporation to change (i) the name or the type
51 of the Connecticut bank, (ii) the town in which the main office of the
52 Connecticut bank is to be located, (iii) in the case of a capital stock
53 Connecticut bank, the amount, authorized number and par value, if any,
54 of shares of its capital stock, or (iv) the name of an organizer or
55 prospective initial director of the Connecticut bank; (B) with the
56 approval of the approving authority, amend a material provision of the
57 proposed business plan, or amend the proposed certificate of
58 incorporation to change the minimum amount of equity capital with
59 which the Connecticut bank shall commence business, which amount
60 may be less than its authorized capital but not less than that required by
61 subsection (b) of this section; or (C) file notice with the commissioner to
62 amend the proposed certificate of incorporation to change the
63 occupation or residence, post office or business address of any organizer
64 or prospective initial director of the Connecticut bank.

65 (2) Upon receipt of an application to change the name of a
66 Connecticut bank under subparagraph (A)(i) of subdivision (1) of this
67 subsection, the commissioner shall cause notice of the filing of such
68 application to be published in the department's weekly bulletin. The
69 notice shall state that written objections to such application may be
70 made, for a period of thirty days from the date of publication of the
71 bulletin, on the grounds that the name selected will tend to confuse the
72 public. If, in the opinion of the commissioner, the name selected by the
73 organizers will not tend to confuse the public and if no objection is filed,
74 the commissioner shall approve such change of name. If, in the opinion
75 of the commissioner, the name selected will tend to confuse the public
76 or if an objection is filed, the commissioner shall order a hearing to be
77 held not less than twenty or more than thirty days from the date
78 originally set for the filing of objections to the application for change of

79 name, and notice of such hearing shall be published in the department's
80 weekly bulletin at least fourteen days prior to the hearing. At the
81 hearing, the commissioner shall hear all persons desiring to be heard
82 and shall make a ruling within fifteen days.

83 (3) The organizers shall file with the Secretary of the State any
84 approval issued pursuant to this subsection, and the approved
85 amendment shall become effective upon such filing. In the case of an
86 amendment notice pursuant to subparagraph (C) of subdivision (1) of
87 this subsection, the organizers shall file such amendment with the
88 Secretary of the State, and such amendment shall become effective upon
89 such filing.

90 (l) The approving authority shall cause to be made an examination of
91 the proposed Connecticut bank upon notice from the organizers that the
92 following conditions have occurred: (1) The proposed bank has been
93 fully organized according to law; (2) the State Treasurer has been paid
94 the franchise tax and filing fee specified in subsection (o) of this section;
95 (3) the proposed bank has raised the minimum equity capital required;
96 and (4) in the case of a proposed capital stock Connecticut bank, a
97 certified list of each subscriber who will own at least five per cent of any
98 class of voting securities of the proposed bank, showing the number of
99 shares owned by each, has been filed with the commissioner. If all
100 provisions of law have been complied with, a final certificate of
101 authority to commence the business for which the bank was organized
102 shall be issued by the approving authority. One copy of the final
103 certificate shall be filed with the Secretary of the State, one copy shall be
104 retained by the bank, and one copy shall be retained by the
105 commissioner.

106 (m) The reasonable charges and expenses of organization or
107 reorganization of a capital stock Connecticut bank, and the reasonable
108 expenses of any compensation or discount for the sale, underwriting or
109 purchase of its shares, may be paid or allowed by such bank out of the
110 par value received by it for its shares, or in the case of shares without

111 par value, out of the stated capital received by it for its shares, without
112 rendering such shares not fully paid and nonassessable.

113 (n) The Connecticut bank shall not commence business until: (1) A
114 final certificate of authority has been issued in accordance with
115 subsection (l) of this section, (2) except in the case of a trust bank, an
116 interim Connecticut bank organized pursuant to subsection (p) of this
117 section, or an innovation bank organized pursuant to subsection (t) of
118 this section, until its insurable accounts or deposits are insured by the
119 Federal Deposit Insurance Corporation or its successor agency, and (3)
120 it has complied with the requirements of subsection (u) of this section,
121 if applicable. The acceptance of subscriptions for deposits by a mutual
122 savings bank or mutual savings and loan association as may be
123 necessary to obtain insurance by the Federal Deposit Insurance
124 Corporation or its successor agency shall not be considered to be
125 commencing business. No Connecticut bank other than a trust bank
126 may exercise any of the fiduciary powers granted to Connecticut banks
127 by law until express authority therefor has been given by the
128 commissioner.

129 (o) Prior to the issuance of a final certificate of authority to commence
130 business in accordance with subsection (l) of this section, the
131 Connecticut bank shall pay to the State Treasurer a franchise tax,
132 together with a filing fee of twenty dollars for the required papers. The
133 franchise tax for a mutual savings bank and mutual savings and loan
134 association shall be thirty dollars. The franchise tax for all capital stock
135 Connecticut banks shall be one cent per share up to and including the
136 first ten thousand authorized shares, one-half cent per share for each
137 authorized share in excess of ten thousand shares up to and including
138 one hundred thousand shares, one-quarter cent per share for each
139 authorized share in excess of one hundred thousand shares up to and
140 including one million shares and one-fifth cent per share for each
141 authorized share in excess of one million shares.

142 (p) (1) One or more persons may organize an interim Connecticut

143 bank solely (A) for the acquisition of an existing bank, whether by
144 acquisition of stock, by acquisition of assets, or by merger or
145 consolidation, or (B) to facilitate any other corporate transaction
146 authorized by this title in which the commissioner has determined that
147 such transaction has adequate regulatory supervision to justify the
148 organization of an interim Connecticut bank. Such interim Connecticut
149 bank shall not accept deposits or otherwise commence business.
150 Subdivision (2) of subsection (c) and subsections (d), (f), (g), (h) and (o)
151 of this section shall not apply to the organization of an interim bank,
152 provided the commissioner may, in the commissioner's discretion,
153 order a hearing under subsection (e) or require that the organizers
154 publish or mail the proposed certificate of incorporation or both. The
155 approving authority for an interim Connecticut bank shall be the
156 commissioner acting alone. If the approving authority determines that
157 the organization of the interim Connecticut bank complies with
158 applicable law, the approving authority shall issue a temporary
159 certificate of authority conditioned on the approval by the appropriate
160 supervisory agency of the corporate transaction for which the interim
161 Connecticut bank is formed.

162 (2) (A) Notwithstanding any provision of this title, for the period
163 from June 13, 2011, to September 30, 2013, inclusive, one or more
164 persons may apply to the commissioner for the conditional preliminary
165 approval of one or more expedited Connecticut banks organized
166 primarily for the purpose of assuming liabilities and purchasing assets
167 from the Federal Deposit Insurance Corporation when the Federal
168 Deposit Insurance Corporation is acting as receiver or conservator of an
169 insured depository institution. The application shall be made on a form
170 acceptable to the commissioner and shall be executed and
171 acknowledged by the applicant or applicants. Such application shall
172 contain sufficient information for the commissioner to evaluate (i) the
173 amount, type and sources of capital that would be available to the bank
174 or banks; (ii) the ownership structure and holding companies, if any,
175 over the bank or banks; (iii) the identity, biographical information and

176 banking experience of each of the initial organizers and prospective
177 initial directors, senior executive officers and any individual, group or
178 proposed shareholders of the bank that will own or control ten per cent
179 or more of the stock of the bank or banks; (iv) the overall strategic plan
180 of the organizers and investors for the bank or banks; and (v) a
181 preliminary business plan outlining intended product and business
182 lines, retail branching plans and capital, earnings and liquidity
183 projections. The commissioner, acting alone, shall grant conditional
184 preliminary approval of such application to organize if the
185 commissioner determines that the organizers have available sufficient
186 committed funds to invest in the bank or banks; the organizers and
187 proposed directors possess capacity and fitness for the duties and
188 responsibilities with which they will be charged; the proposed bank or
189 banks have a reasonable chance of success and will be operated in a safe
190 and sound manner; and the fee for investigating and processing the
191 application has been paid in accordance with subparagraph (H) of
192 subdivision (1) of subsection (d) of section 36a-65, as amended by this
193 act. Such preliminary approval shall be subject to such conditions as the
194 commissioner deems appropriate, including the requirements that the
195 bank or banks not commence the business of a Connecticut bank until
196 after their bid or application for a particular insured depository
197 institution is accepted by the Federal Deposit Insurance Corporation,
198 that the background checks are satisfactory, and that the organizers
199 submit, for the safety and soundness review by the commissioner, more
200 detailed operating plans and current financial statements as potential
201 acquisition transactions are considered, and such plans and statements
202 are satisfactory to the commissioner. The commissioner may alter,
203 suspend or revoke the conditional preliminary approval if the
204 commissioner deems any interim development warrants such action.
205 The conditional preliminary approval shall expire eighteen months
206 from the date of approval, unless extended by the commissioner.

207 (B) The commissioner shall not issue a final certificate of authority to
208 commence the business of a Connecticut bank or banks under this

209 subdivision until all conditions and preopening requirements and
210 applicable state and federal regulatory requirements have been met and
211 the fee for issuance of a final certificate of authority for an expedited
212 Connecticut bank has been paid in accordance with subparagraph (M)
213 of subdivision (1) of subsection (d) of section 36a-65. The commissioner
214 may waive any requirement under this title or regulations adopted
215 under this title that is necessary for the consummation of an acquisition
216 involving an expedited Connecticut bank if the commissioner finds that
217 such waiver is advisable and in the interest of depositors or the public,
218 provided the commissioner shall not waive the requirement that the
219 institution's insurable accounts or deposits be federally insured. Any
220 such waiver granted by the commissioner under this subparagraph
221 shall be in writing and shall set forth the reason or reasons for the
222 waiver. The commissioner may impose conditions on the final certificate
223 of authority as the commissioner deems necessary to ensure that the
224 bank will be operated in a safe and sound manner. The commissioner
225 shall cause notice of the issuance of the final certificate of authority to be
226 published in the department's weekly bulletin.

227 (q) (1) As used in this subsection, "bankers' bank" means a
228 Connecticut bank that is (A) owned exclusively by (i) any combination
229 of banks, out-of-state banks, Connecticut credit unions, federal credit
230 unions, or out-of-state credit unions, or (ii) a bank holding company that
231 is owned exclusively by any such combination, and (B) engaged
232 exclusively in providing services for, or that indirectly benefit, other
233 banks, out-of-state banks, Connecticut credit unions, federal credit
234 unions, or out-of-state credit unions and their directors, officers and
235 employees.

236 (2) One or more persons may organize a bankers' bank in accordance
237 with the provisions of this section, except that subsections (g) and (h) of
238 this section shall not apply. The approving authority for a bankers' bank
239 shall be the commissioner acting alone. Before granting a temporary
240 certificate of authority in the case of an application to organize a
241 bankers' bank, the approving authority shall consider (A) whether the

242 proposed bankers' bank will facilitate the provision of services that such
243 banks, out-of-state banks, Connecticut credit unions, federal credit
244 unions, or out-of-state credit unions would not otherwise be able to
245 readily obtain, and (B) the character and experience of the proposed
246 directors and officers. The application to organize a bankers' bank shall
247 be approved if the approving authority determines that the interest of
248 the public will be directly or indirectly served to advantage by the
249 establishment of the proposed bankers' bank, and the proposed
250 directors possess capacity and fitness for the duties and responsibilities
251 with which they will be charged.

252 (3) A bankers' bank shall have all of the powers of and be subject to
253 all of the requirements applicable to a Connecticut bank under this title
254 which are not inconsistent with this subsection, except to the extent the
255 commissioner limits such powers by regulation. Upon the written
256 request of a bankers' bank, the commissioner may waive specific
257 requirements of this title and the regulations adopted thereunder if the
258 commissioner finds that (A) the requirement pertains primarily to banks
259 that provide retail or consumer banking services and is inconsistent
260 with this subsection, and (B) the requirement may impede the ability of
261 the bankers' bank to compete or to provide desired services to its market
262 provided, any such waiver and the commissioner's findings shall be in
263 writing and shall be made available for public inspection.

264 (4) The commissioner may adopt regulations, in accordance with
265 chapter 54, to administer the provisions of this subsection.

266 (r) (1) As used in this subsection and section 36a-139, "community
267 bank" means a Connecticut bank that is organized pursuant to this
268 subsection and is subject to the provisions of this subsection and section
269 36a-139.

270 (2) One or more persons may organize a community bank in
271 accordance with the provisions of this section, except that subsection (g)
272 of this section shall not apply. Any such community bank shall

273 commence business with a minimum equity capital of at least three
274 million dollars. The approving authority for a community bank shall be
275 the commissioner acting alone. In addition to the considerations and
276 determinations required by subsection (h) of this section, before
277 granting a temporary certificate of authority to organize a community
278 bank, the approving authority shall determine that (A) each of the
279 proposed directors and proposed executive officers, as defined in
280 subparagraph (D) of subdivision (3) of this subsection, possesses
281 capacity and fitness for the duties and responsibilities with which such
282 director or officer will be charged, and (B) there is satisfactory
283 community support for the proposed community bank based on
284 evidence of such support provided by the organizers to the approving
285 authority. If the approving authority cannot make such determination
286 with respect to any such proposed director or proposed executive
287 officer, the approving authority may refuse to allow such proposed
288 director or proposed executive officer to serve in such capacity in the
289 proposed community bank.

290 (3) A community bank shall have all of the powers of and be subject
291 to all of the requirements and limitations applicable to a Connecticut
292 bank under this title which are not inconsistent with this subsection,
293 except: (A) No community bank may (i) exercise any of the fiduciary
294 powers granted to Connecticut banks by law until express authority
295 therefor has been given by the approving authority, (ii) establish and
296 maintain one or more mutual funds, (iii) invest in derivative securities
297 other than mortgage-backed securities fully guaranteed by
298 governmental agencies or government sponsored agencies, (iv) own
299 any real estate for the present or future use of the bank unless the
300 approving authority finds, based on an independently prepared
301 analysis of costs and benefits, that it would be less costly to the bank to
302 own instead of lease such real estate, or (v) make mortgage loans
303 secured by nonresidential real estate the aggregate amount of which, at
304 the time of origination, exceeds ten per cent of all assets of such bank;
305 (B) the aggregate amount of all loans made by a community bank shall

306 not exceed eighty per cent of the total deposits held by such bank; (C) (i)
307 the total direct or indirect liabilities of any one obligor, whether or not
308 fully secured and however incurred, to any community bank, exclusive
309 of such bank's investment in the investment securities of such obligor,
310 shall not exceed at the time incurred ten per cent of the equity capital
311 and reserves for loan and lease losses of such bank, and (ii) the
312 limitations set forth in subsection (a) of section 36a-262 shall apply to
313 this subparagraph; and (D) the limitations set forth in subsection (a) of
314 section 36a-263 shall apply to all community banks, provided, a
315 community bank may (i) make a mortgage loan to any director or
316 executive officer secured by premises occupied or to be occupied by
317 such director or officer as a primary residence, (ii) make an educational
318 loan to any director or executive officer for the education of any child of
319 such director or executive officer, and (iii) extend credit to any director
320 or executive officer in an amount not exceeding ten thousand dollars for
321 extensions of credit not otherwise specifically authorized in this
322 subparagraph. The aggregate amount of all loans or extensions of credit
323 made by a community bank pursuant to this subparagraph shall not
324 exceed thirty-three and one-third per cent of the equity capital and
325 reserves for loan and lease losses of such bank. As used in this
326 subparagraph, "executive officer" means every officer of a community
327 bank who participates or has authority to participate, other than in the
328 capacity of a director, in major policy-making functions of the bank,
329 regardless of whether such officer has an official title or whether such
330 officer serves without salary or other compensation. The vice president,
331 chief financial officer, secretary and treasurer of a community bank are
332 presumed to be executive officers unless, by resolution of the governing
333 board or by the bank's bylaws, any such officer is excluded from
334 participation in major policy-making functions, other than in the
335 capacity of a director of the bank, and such officer does not actually
336 participate in major policy-making functions.

337 (4) The audit and examination requirements set forth in section 36a-
338 86 shall apply to each community bank.

339 (5) The commissioner may adopt regulations, in accordance with
340 chapter 54, to administer the provisions of this subsection and section
341 36a-139.

342 (s) (1) As used in this subsection, "community development bank"
343 means a Connecticut bank that is organized to serve the banking needs
344 of a well-defined neighborhood, community or other geographic area as
345 determined by the commissioner, primarily, but not exclusively, by
346 making commercial loans in amounts of one hundred fifty thousand
347 dollars or less to existing businesses or to persons seeking to establish
348 businesses located within such neighborhood, community or
349 geographic area.

350 (2) One or more persons may organize a community development
351 bank in accordance with the provisions of this section, except that
352 subsection (g) of this section shall not apply. The approving authority
353 for a community development bank shall be the commissioner acting
354 alone. Any such community development bank shall commence
355 business with a minimum equity capital determined by the
356 commissioner to be appropriate for the proposed activities of such bank,
357 provided, if such proposed activities include accepting deposits, such
358 minimum equity capital shall be sufficient to enable such deposits to be
359 insured by the Federal Deposit Insurance Corporation or its successor
360 agency.

361 (3) The state, acting through the State Treasurer, may be the sole
362 organizer of a community development bank or may participate with
363 any other person or persons in the organization of any community
364 development bank, and may own all or a part of any capital stock of
365 such bank. No application fee shall be required under subparagraph (H)
366 of subdivision (1) of subsection (d) of section 36a-65, as amended by this
367 act, and no franchise tax shall be required under subsection (o) of this
368 section for any community development bank organized by or in
369 participation with the state.

370 (4) In addition to the considerations and determinations required by
371 subsection (h) of this section, before granting a temporary certificate of
372 authority to organize a community development bank, the approving
373 authority shall determine that (A) each of the proposed directors and
374 proposed executive officers possesses capacity and fitness for the duties
375 and responsibilities with which such director or officer will be charged,
376 and (B) there is satisfactory community support for the proposed
377 community development bank based on evidence of such support
378 provided by the organizers to the approving authority. If the approving
379 authority cannot make such determination with respect to any such
380 proposed director or proposed executive officer, the approving
381 authority may refuse to allow such proposed director or proposed
382 executive officer to serve in such capacity in the proposed community
383 development bank. As used in this subdivision, "executive officer"
384 means every officer of a community development bank who
385 participates or has authority to participate, other than in the capacity of
386 a director, in major policy-making functions of the bank, regardless of
387 whether such officer has an official title or whether such officer serves
388 without salary or other compensation. The vice president, chief financial
389 officer, secretary and treasurer of a community development bank are
390 presumed to be executive officers unless, by resolution of the governing
391 board or by the bank's bylaws, any such officer is excluded from
392 participation in major policy-making functions, other than in the
393 capacity of a director of the bank, and such officer does not actually
394 participate in major policy-making functions.

395 (5) Notwithstanding any contrary provision of this title: (A) The
396 commissioner may limit the powers that may be exercised by a
397 community development bank or impose conditions on the exercise by
398 such bank of any power allowed by this title as the commissioner deems
399 necessary in the interest of the public and for the safety and soundness
400 of the community development bank, provided, any such limitations or
401 conditions, or both, shall be set forth in the final certificate of authority
402 issued in accordance with subsection (l) of this section; and (B) the

403 commissioner may waive in writing any requirement imposed on a
404 community development bank under this title or any regulation
405 adopted under this title if the commissioner finds that such requirement
406 is inconsistent with the powers that may be exercised by such
407 community development bank under its final certificate of authority.

408 (6) The commissioner may adopt regulations, in accordance with
409 chapter 54, to carry out the provisions of this subsection.

410 (t) (1) One or more persons may organize an innovation bank in
411 accordance with the provisions of this section, except that subsection (g)
412 of this section shall not apply. The approving authority for an
413 innovation bank shall be the commissioner acting alone. Any such
414 innovation bank shall commence business with a minimum equity
415 capital of at least five million dollars unless the commissioner
416 establishes a different minimum capital requirement for such
417 innovation bank based upon its proposed activities.

418 (2) An innovation bank shall have all of the powers of and be subject
419 to all of the requirements and limitations applicable to a Connecticut
420 bank under this title which are not inconsistent with this subsection,
421 except no innovation bank may accept retail deposits and,
422 notwithstanding any provision of this title, sections 36a-30 to 36a-34,
423 inclusive, do not apply to innovation banks.

424 (3) (A) An innovation bank shall display conspicuously, at each
425 window or other place where deposits are usually accepted, a sign
426 stating that deposits are not insured by the Federal Deposit Insurance
427 Corporation or its successor agency.

428 (B) An innovation bank shall either (i) include in boldface
429 conspicuous type on each signature card, passbook, and instrument
430 evidencing a deposit the following statement: "This deposit is not
431 insured by the FDIC", or (ii) require each depositor to execute a
432 statement that acknowledges that the initial deposit and all future
433 deposits at the innovation bank are not insured by the Federal Deposit

434 Insurance Corporation or its successor agency. The innovation bank
435 shall retain such acknowledgment as long as the depositor maintains
436 any deposit with the innovation bank.

437 (C) An innovation bank shall include on all of its deposit-related
438 advertising a conspicuous statement that deposits are not insured by the
439 Federal Deposit Insurance Corporation or its successor agency.

440 (4) Notwithstanding any provision of this title, an innovation bank
441 may accept and hold nonretail deposits, including, but not limited to,
442 nonretail deposits received from a corporation that owns the majority of
443 the shares of the innovation bank. An innovation bank may secure
444 deposit insurance for such nonretail deposits, including from the
445 Federal Deposit Insurance Corporation.

446 (u) (1) Each trust bank and innovation bank shall keep assets on
447 deposit in the amount of at least one million five hundred thousand
448 dollars with such banks as the commissioner may approve. [provided
449 a trust bank or innovation bank that received its final certificate of
450 authority prior to May 12, 2004, shall keep assets on deposit as follows:
451 At least two hundred fifty thousand dollars no later than one year from
452 May 12, 2004, at least five hundred thousand dollars no later than two
453 years from said date, at least seven hundred fifty thousand dollars no
454 later than three years from said date and at least one million dollars no
455 later than four years from said date.] No trust bank or innovation bank
456 shall make a deposit pursuant to this section until the bank at which the
457 assets are to be deposited and the trust bank or innovation bank shall
458 have executed a deposit agreement satisfactory to the commissioner.
459 The value of such assets shall be based upon the principal amount or
460 market value, whichever is lower. If the commissioner determines that
461 an asset that otherwise qualifies under this section shall be valued at less
462 than the amount otherwise provided in this subdivision, the
463 commissioner shall so notify the trust bank or innovation bank, which
464 shall thereafter value such asset as directed by the commissioner.

465 (2) As used in this subsection, "assets" means: (A) United States dollar
 466 deposits payable in the United States, other than certificates of deposit;
 467 (B) bonds, notes, debentures or other obligations of the United States or
 468 any agency or instrumentality thereof, or guaranteed by the United
 469 States, or of this state or of a county, city, town, village, school district,
 470 or instrumentality of this state or guaranteed by this state; (C) bonds,
 471 notes, debentures or other obligations issued by the Federal Home Loan
 472 Mortgage Corporation and the Federal National Mortgage Corporation;
 473 (D) commercial paper payable in dollars in the United States, provided
 474 such paper is rated in one of the three highest rating categories by a
 475 rating service recognized by the commissioner. In the event that an issue
 476 of commercial paper is rated by more than one recognized rating
 477 service, it shall be rated in one of the three highest rating categories by
 478 each such rating service; (E) negotiable certificates of deposit that are
 479 payable in the United States; (F) reserves held at a federal reserve bank;
 480 and (G) such other assets as determined by the commissioner upon
 481 written application.

482 Sec. 3. Subsection (b) of section 36a-81 of the general statutes is
 483 repealed and the following is substituted in lieu thereof (*Effective July 1,*
 484 *2025*):

485 (b) The commissioner, before granting an approval under subsection
 486 (a) of this section, shall consider: (1) The population of the area to be
 487 served by the proposed relocation of the main office of the Connecticut
 488 bank; (2) the adequacy of existing banking facilities; and (3) the
 489 economic need for such proposed relocation. [*;* and (4) the convenience
 490 and necessity to the public of the proposed relocation.]

491 Sec. 4. Subsection (c) of section 36a-82 of the general statutes is
 492 repealed and the following is substituted in lieu thereof (*Effective July 1,*
 493 *2025*):

494 (c) Upon receiving such application, the commissioner shall cause
 495 notice of its submission to be published in the department's weekly

bulletin. The notice shall state that written objections to such application may be made, for a period of [thirty] fifteen days from the date of publication of the bulletin, on the grounds that the name selected will tend to confuse the public. At least ten days prior to the date by which objections may be made, the applicant shall send a copy of the application and a notice of the date by a means that provides a signature as proof of delivery, including, but not limited to, registered or certified mail, return receipt requested, to each bank or out-of-state bank having its main office or a branch in the town or towns in which the applicant has its main office or a branch.

Sec. 5. Subsection (b) of section 36a-223 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(b) The duty of the receiver shall be to place the Connecticut bank or Connecticut credit union in liquidation and proceed to realize upon the assets of such bank or credit union, having due regard for the conditions of credit [in the locality] of such bank or credit union.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2025</i>	36a-65(d)(1)(H)
Sec. 2	<i>July 1, 2025</i>	36a-70(h) to (u)
Sec. 3	<i>July 1, 2025</i>	36a-81(b)
Sec. 4	<i>July 1, 2025</i>	36a-82(c)
Sec. 5	<i>July 1, 2025</i>	36a-223(b)

Statement of Purpose:

To: (1) Increase the fee for investigating and processing an application for the organization of a Connecticut bank; (2) eliminate a factor considered in determining whether the public will be served to advantage by the establishment of a proposed Connecticut bank; (3) increase the amount of assets on deposit that trust banks and innovation banks are required to keep; (4) eliminate a factor considered in determining whether to approve the relocation of a Connecticut bank's main office; (5) reduce the period of time during which written

objections may be made to an application made by a bank or association for permission to change its name; and (6) modify the duty of a receiver for a Connecticut bank or Connecticut credit union.

[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.]