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## OLR Bill Analysis

### SB 1255

#### ***AN ACT CONCERNING THE COMMUNITY BANK AND COMMUNITY CREDIT UNION INVESTMENT PROGRAM ESTABLISHED BY THE STATE TREASURER.***

#### **SUMMARY**

The bill increases the pool of financial institutions eligible to participate in the treasurer's Community Bank and Credit Union Initiative by (1) adding federal banks and out-of-state banks and (2) reinstating federal credit unions, which were removed by PA 23-126.

Under this initiative, the treasurer has the authority to invest up to \$300 million, based on available cash, with community banks and community credit unions (CGS § 3-24k). The financial institutions participating in the initiative originate loans to individuals and small-to-medium sized companies and provide banking services in underserved markets.

EFFECTIVE DATE: July 1, 2025

#### **COMMITTEE ACTION**

Banking Committee

Joint Favorable

Yea 12    Nay 0    (03/06/2025)