

Banking Committee

JOINT FAVORABLE REPORT

Bill No: HB-5213 / [Bill Status](#) / [Public Hearing Testimony](#)

Title: AN ACT ESTABLISHING A WORKING GROUP TO EVALUATE PAYROLL PROCESSING METHODS EMPLOYED BY FINANCIAL INSTITUTIONS.

Vote Date: 3/10/2026

Vote Action: Joint Favorable

PH Date: 2/24/2026

File No.: 1612

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SPONSORS OF BILL:

Banking Committee

REASONS FOR BILL:

To establish a working group to study payroll processing in CT. This is intended to help determine if processing methods are functioning effectively and at an acceptable pace and give recommendations to the Banking Committee, which can be used to decide further legislation.

RESPONSE FROM ADMINISTRATION/AGENCY:

N/A

NATURE AND SOURCES OF SUPPORT:

Tom O'Dea, Connecticut House of Representatives, Representative supports HB5213 and speaks about his personal experience as a customer of Chase bank and Bank of America, who placed a hold on his payroll deposit, and despite having a long history with the bank was unable to resolve it. Although he was able to take the lack of pay, he is concerned that many in Connecticut would not have been able to those in that situation would need to deal with serious consequences. Representative O'Dea argues that institutions should be required to clear payroll checks faster or allow well performing customers to use their money during the hold period by paying them interest. He found that other institutions, like USAA did not have this issue. Representative Tom O'Dea feels that HB5213 is a modest and reasonable step to several issues, like payroll and direct deposits are processed, why certain institutions hold so long and why others don't, if current practices are needed for risk management, and what policy options fairly protect consumers while allowing banks to manage legitimate risk.

NATURE AND SOURCES OF OPPOSITION:

N/A

Reported by: Giovanni DeSantis

Date: March 11th, 2026