

# Banking Committee

## JOINT FAVORABLE REPORT

**Bill No:** SB-215 / [Bill Status](#) / [Public Hearing Testimony](#)

**Title:** AN ACT CONCERNING THE PRESUMPTION OF ABANDONMENT OF CERTAIN PROPERTY HELD OR OWING BY A BANKING ORGANIZATION.

**Vote Date:** 3/10/2026

**Vote Action:** Joint Favorable Substitute

**PH Date:** 2/24/2026

**File No.:** 2981

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### SPONSORS OF BILL:

Banking Committee

### REASONS FOR BILL:

To change the criteria for when banks can decide that accounts are abandoned. This is intended to prevent people who frequently use only certain accounts at their financial institution from having their unused accounts shut down due to a lack of activity, and to prevent unneeded escheatment.

### SUBSTITUTE LANGUAGE

The substitute language specifies that if payments on a loan from a bank are being made, they prevent escheatment.

### RESPONSE FROM ADMINISTRATION/AGENCY:

**Erick Russell, Treasurer, Connecticut State Treasury Opposes** SB 215, due to concerns about the timing and process for escheatment of accounts. Although the State Treasury appreciates the effort in trying to prevent unneeded escheatment, they argue it could result in service charges continuing an inactive account as well as making it more difficult for the consumer due to them not receiving notice of an abandoned account until several years after the relationship with the financial institution has ended. The State Treasury has proposed legislation which expands evidence that demonstrates an owner's interest in all property, including but not limited to bank accounts. The State Treasury argues the legislation they proposed will prevent premature escheatment without the previously mentioned drawbacks. In the situation raised to the Committee by a constituent, there was no premature or unwanted escheatment due to laws already in place. The State Treasury welcomes the idea

of working with the Banking Committee and stakeholders to work towards a shared goal. Erick Russell's office is available for any questions from the Committee.

**NATURE AND SOURCES OF SUPPORT:**

**Tom Mongellow, President, Connecticut Bankers Association (CBA)** supports SB 215 due to how it would modernize Connecticut abandoned property laws by causing the access of one account to prevent escheatment of all other unaccessed accounts at the used financial institution. Under current state laws any accounts inactive for three years are presumed abandoned and are remitted to the Treasurer's Office by March 31<sup>st</sup> of the next year even if they have accessed a different account in the same institution. The CBA agrees that any activity in any deposit account at the same institution should demonstrate activity in all accounts owned by a consumer at said institution. The CBA argues it aligns better with modern banking practices. The CBA also suggests payments made on any loan the customer has with the same institution also show the customer's continued interest in all their accounts. The CBA argues that it improves the process of determining when property is abandoned and respectfully urges the committee to support SB 215.

**NATURE AND SOURCES OF OPPOSITION:**

N/A

**Reported by: Giovanni DeSantis**

**Date: March 11<sup>th</sup>, 2026**