

Banking Committee JOINT FAVORABLE REPORT

Bill No: SB-300 / [Bill Status](#) / [Public Hearing Testimony](#)

AN ACT ESTABLISHING A DEBT COLLECTION EXEMPTION RELATING TO

Title: JOINT ACCOUNTS.

Vote Date: 3/10/26

Vote Action: Joint Favorable Substitute

PH Date: 3/3/2026

File No.: 2983

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SPONSORS OF BILL:

Banking Committee

REASONS FOR BILL:

To establish an exemption from debt collection for any part of the balance of an account deemed a joint account in which the debtor has no equitable interest. This is in response to debt collection agencies seizing accounts that were unused by the debtor.

SUBSTITUTE LANGUAGE:

Adds exemptions to match federal standards.

RESPONSE FROM ADMINISTRATION/AGENCY:

N/A

NATURE AND SOURCES OF SUPPORT:

Timothy Pletter, Lawyer, Ambrogio Pletter Law supports SB300

Neil Crane, Attorney, Consumer Bankruptcy Roundtable of Connecticut (CBRC) supports SB300. According to the CBRC Conn. Gen. Stat. § 36a-290 prejudices financially vulnerable Connecticut families and has for nearly 30 years, and request it be amended. In that time, several judiciaries have argued of the financial prejudice. The CBRC recommends amend Conn. Gen. Stat. § 36a-290 to allow the Judiciary to make determinations of equitable ownership, as well as amending the personal property (“Wildcard”) exemption, create a

Connecticut bankruptcy personal injury exemption to match the Federal exemption in the amount of \$31,575, and amend the Homestead exemption, Conn. Gen. Stat. § 52-352b(21), to align with the Federal exemption.

NATURE AND SOURCES OF OPPOSITION:

Bruce Adams, President & CEO, The Credit Union League of Connecticut opposes SB300, and although they feel it is a noble intention, due to shareholders not being involved in helping to create the bill, they oppose.

Russell London, Co-Managing Attorney, London & London Attorneys at Law and Eric Opin, Opin Law Firm opposes SB300 as it would be bad for business and could create negative consequences in the future for creditors and consumers and would ultimately promote fraud. For example, a divorced parent could shield child support funds through a new partners account. Funds typically lose their fungibility in a bank account. SB300 ignores that there's already an automatic \$1,000.00 exemption for bank executions. London & London Attorneys at Law and The Opin Law Firm also argue it is difficult for judgment creditors to be paid as is before this bill, and this legislation will encourage fraud and incentivize debtors to ignore Court orders.

Bill Marohn, President, Connecticut Creditor Bar Association opposes SB300 as the current law is acceptable as is, it fails to protect the joint account holder, deprives joint account holders of their Due Process rights, and will necessitate a referral to the Judicial Committee.

Lori Meeker, Managing Attorney, Law Offices of Nair & Levin PC believes SB300 is unnecessary.

Franci Wayland, Vice President, Government Relations and Public Policy, PRA Group opposes SB300 because they feel the current law is acceptable as is and that it will eliminate the ability of judgment creditors to use bank garnishments to collect a valid court-ordered judgment. They also argue research shows Bills like SB300 lead to less access to mainstream credit.

Houston Putnam Lowry, Attorney, Ford & Paulekas, LLP opposes SB300, arguing existing Connecticut law is balanced regarding the rights of creditors and debtors.

Neil Paul, Attorney, Cohen, Burns, Hard, & Paul Attorneys at Law opposes SB300

Linda Strumpf, Attorney Opposes SB300

Donald Maurice, Receivables Management Association International (RMAI) opposes SB300, and although they support legislation that protects consumers, ultimately oppose SB300 because of it allowing for bad actors to shield deposits in joint accounts, leading to more difficulty for consumers who've recovered judgments.

Tom Mongellow, President, Connecticut Bankers Association (CBA) opposes SB300, and although they understand the reasons behind it, they feel it makes legal uncertainty, causes operation challenges for institutions, economic risks, allows for debtors to hide

money. This would require financial institutions to determine the results of complex private disputes, which should instead be resolved in courts. Under Connecticut law, there is already the ability to challenge improper restraints and claim exemptions, creating new exceptions will lead to more difficulty for post judgment collection.

Comments:

Dave Faley, lawyer, Consumer Bankruptcy Roundtable argues SB300 be redrafted and that Conn General Statue 36a-290 be amended to bring fairness and justice to the average consumer.

V. Michael Simko, Attorney, Law Office of V. Michael Simko Jr.: Opposes SB300

5 Anonymous Sources Oppose SB300

Reported by: Giovanni DeSantis

Date: March 11, 2026