



STATE OF CONNECTICUT
DEPARTMENT OF BANKING
260 CONSTITUTION PLAZA – HARTFORD, CT 06103-1800



DRAFT
TESTIMONY SUBMITTED TO APPROPRIATIONS SUBCOMMITTEE ON
REGUALTION AND PROTECTION

Jorge L. Perez, Banking Commissioner

February 17, 2023

Co=Chairs Osten, and Walker, Senator Berthel, Representative Nuccio, and Honorable Members of the Appropriations Committee, my name is Jorge Perez and I am the Banking Commissioner for the State of Connecticut. Thank you for the opportunity to address you today concerning Governor Lamont's Proposed Budget for the FY2024-25 Biennium.

As many of you may already know, the Department of Banking is fully funded by the industries we regulate via the Banking Fund which receives revenues from assessments and fees from those entities. These include state-chartered banks and credit unions; non-depository entities like mortgage companies, money transmitters, registered student loan servicers, and debt collectors; and finally, from broker-dealer agents and investment advisers. The revenue generated additionally funds the Foreclosure Mediation Program in the Judicial Department, the maintenance of a reserve fund in case of a major financial institutional failure not covered by the FDIC nor the NCUA and other initiatives supported by the Banking Fund.

The Governor's Budget funding for the Department of Banking total \$28,321,024 for Fiscal Year 2024 and \$28,634,493 for Fiscal Year 2025. This budget reflects an increase from FY2023 to support an additional five positions within the Department. This additional staff is designated for the development of a new initiative designed to increase our capacity to conduct Community Reinvestment Act and other fair lending exams. It is important to note that salaries and fringe benefits comprise more than 90% of the Department's budget.

The Governor's Budget before you will enable us to carry out our statutory obligations of providing regulatory oversight to financial service companies in the state, as well as providing strong consumer protections.

My business office manager and I are available to answer any questions you may have. Thank you for your time.