



General Assembly

Amendment

February Session, 2022

LCO No. 4537



Offered by:

REP. DOUCETTE, 13th Dist.

SEN. MILLER P., 27th Dist.

REP. DELNICKI, 14th Dist.

To: Subst. House Bill No. 5216

File No. 105

Cal. No. 108

"AN ACT CONCERNING LOW-COST BANK ACCOUNTS."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective January 1, 2023*) (a) For purposes of this
4 section:

5 (1) "Banking institution" means any bank, trust company, savings
6 bank, savings and loan association or credit union, or branch of a foreign
7 banking corporation, the deposits of which are insured by the Federal
8 Deposit Insurance Corporation or the National Credit Union
9 Administration, as applicable, that is incorporated, chartered, organized
10 or licensed under the laws of this state or any other state or the United
11 States, and, in the ordinary course of its business, offers consumer
12 transaction accounts to the general public or, in the case of a credit
13 union, to its members;

14 (2) "Basic banking account" means a consumer transaction account
15 that meets the requirements established under subsections (c) and (d) of
16 this section; and

17 (3) "Consumer transaction account" means a demand deposit
18 account, negotiable order of withdrawal account, share draft account or
19 similar account used primarily for personal, family or household
20 purposes.

21 (b) Except as otherwise provided in this section, on and after July 1,
22 2023, each banking institution shall make available to consumers
23 residing in the state a basic banking account as described in subsections
24 (c) to (e), inclusive, of this section.

25 (c) A basic banking account shall: (1) Not include fees for any of the
26 following: (A) Overdrafts, (B) nonsufficient funds, (C) account
27 activation, (D) account closure, (E) dormancy, (F) inactivity, or (G) low
28 balance; (2) offer the following to the depositor at no additional charge:
29 (A) A debit card, (B) ATM in-network access, (C) deposits, (D) check
30 cashing for checks issued by the banking institution at which the
31 consumer holds the basic banking account, and (E) electronic monthly
32 statements; and (3) not include: (A) A minimum initial deposit that is
33 greater than twenty-five dollars, if any, (B) a minimum balance to
34 maintain such account that is greater than twenty-five dollars, if any, or
35 (C) a charge to maintain such account that is greater than ten dollars per
36 periodic cycle. The terms and conditions of a basic banking account may
37 provide that the banking institution shall not pay any check, electronic
38 transaction or any other type of transaction that would cause the basic
39 banking account to be overdrawn. Nothing in this subsection shall
40 require a banking institution to include additional enhanced account
41 features, such as preferred or incentive interest rates or rewards
42 programs, with a basic banking account.

43 (d) Except as provided in this section, a basic banking account may
44 be offered, subject to the same rules, conditions and terms normally
45 applicable to the consumer transaction account offered by the banking

46 institution that is most similar to its basic banking account.

47 (e) (1) A banking institution that posts, in the public area of its offices,
48 notice of the availability of its consumer transaction accounts other than
49 its basic banking accounts, shall also post equally conspicuous notice, in
50 the same public areas and in the same manner, of the availability of its
51 basic banking accounts. A banking institution that makes available in
52 the public area material describing the terms of its other consumer
53 transaction accounts, other than its basic banking accounts, shall also
54 make comparable descriptive material available, in the same such public
55 area and in the same manner, for its basic banking account.

56 (2) A banking institution that posts in the public area of its offices the
57 notices described in subdivision (1) of this subsection, shall also post
58 equally conspicuous notice, in the same public area and in the same
59 manner, of the Department of Banking's toll-free consumer hotline
60 number, that may be used to file a complaint if a consumer is not
61 satisfied with the services a banking institution provides.

62 (f) Notwithstanding the provisions of this section, any banking
63 institution that makes available to consumers (1) an alternative account
64 or other banking services determined by the Banking Commissioner to
65 be an appropriate substitute for the basic banking account, or (2) a
66 consumer transaction account that provides (A) the core features set
67 forth in the Bank On National Account Standards, as amended from
68 time to time, or (B) any similar standards, as determined by the Banking
69 Commissioner, shall be in compliance with this section.

70 (g) The Banking Commissioner shall, in the course of evaluating the
71 performance of a Connecticut bank or a Connecticut credit union in
72 meeting its obligations under part II of chapter 664a of the general
73 statutes, provide credit to such bank or credit union for offering a basic
74 banking account."

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>January 1, 2023</i>	New section
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