

Act Number	Session	Bill Number	Total Number of Committee Pages	Total Number of House Pages	Total Number of Senate Pages
PA 71-168		6173	2	1	3
<u>Committee Pages:</u> <ul style="list-style-type: none"> • <i>Banking 381-382</i> 				<u>House Pages:</u> <ul style="list-style-type: none"> • <i>1666(consent)</i> 	<u>Senate Pages:</u> <ul style="list-style-type: none"> • <i>1476-1477</i> • <i>1479</i>

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**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
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they can be read in without members waiting around.

djh

THE CLERK:

Business on the Calendar for Monday, April 26, 1971. On page 1 of the Calendar, the Consent Calendar.

MR. SARASIN (95th):

Mr. Speaker, thank you, Mr. Speaker. I move acceptance of the Joint Committees' favorable reports and passage of the bills on today's Consent Calendar which are: Calendar No. 451, H.B. No. 6173, An Act Concerning Funds for Contingent Losses for Savings and Loan Associations, File No. 377; Calendar No. 452, H.B. No. 6176, An Act Concerning Veteran Administration Mortgages by Savings and Loan Associations, File No. 376; Calendar No. 455, H.B. No. 6545, An Act Concerning the Importation of Fish, Birds and Quadrupeds, File No. 375; Calendar No. 462, H.B. No. 7639, An Act Permitting Associations of Unit Owners to Appeal From Decisions of Local Boards of Tax Review, File No. 379. I move the adoption of these bills.

THE SPEAKER:

The motion of the gentleman from the 95th. Is there any individual member who objects to passage of these bills on the Consent Calendar? If not, the question is on acceptance of the Joint Committees' Favorable Reports and passage of the bills. All those in favor indicate by saying aye. Those opposed? The bills are PASSED.

MR. SARASIN (95th):

Mr. Speaker, I move the following bills be placed on the Consent Calendar: Calendar No. 248, S.B. No. 1131, An Act Concerning Discretionary Refusal of Permits by Liquor Control Commission; File No. 111; Calendar No. 251, S.B. No. 1134, An Act Concerning Employment of Unsuitable Persons On

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This bill now establishes a uniform schedule for the services mentioned. This bill also increases from 7 to 10 members those that serve on the professional policy committee. It's a good bill and I urge adoption.

THE CHAIR:

Question is on passage. Will you remark further? If not, all those in favor of passage signify by saying, "aye". Opposed, "nay". Bill is passed.

THE CLERK:

CAL. NO. 425. File No. 580. Favorable report of the joint committee on General Law. House Bill 5763. An Act Granting Permission to Jennie Ciul-ewicz to Prosecute to Final Effect a Suit Against the Town of Windsor Locks.

SENATOR STRADA:

Mr. President, I move acceptance of the joint committee's favorable report and passage of the bill, as amended by House Amendment schedule A.

THE CHAIR:

Will you remark?

SENATOR STRADA:

Mr. President, this validates a defective notice against the Town of Windsor Locks, dated March 10, 1970 with respect to injuries allegedly sustained on March 14, 1969. It is purely a defective notice and suit was instituted within the statutory period.

THE CHAIR:

Will you remark further? If not, all those in favor signify by saying, "aye". Opposed, "nay". The ayes have it; the bill is passed.

THE CLERK:

CAL. NO. 427. File No. 377. Favorable report of the joint committee on Banks and Regulated Activities. House Bill 6173. An Act Concerning Funds

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for Contingent Losses for Savings and Loan Associations.

THE CHAIR:

I think we'll have to pass this too. You recall, when we passed the last banking bill? Passed temporarily.

THE CLERK:

CAL. NO. 438. File No. 400. Favorable report of the joint committee on Rules. Substitute for House Bill 5342. An Act Concerning the Size of Bill Forms.

SENATOR BURKE:

Mr. President, this bill is to remove the requirement of the control to have bills printed. To allow 8 $\frac{3}{4}$ inches by 11 inches. It's a good bill and should pass. I move acceptance of the committee's favorable report and passage of the bill.

THE CHAIR:

Will you remark further? If not, all those in favor signify by saying, "aye". Opposed, "nay". The ayes have it; the bill is passed.

THE CLERK:

CAL. NO. 441. File No. 386. Favorable report of the joint standing committee on General Law. House Bill 6639. An Act Validating Certain Tax Sale Deeds in the Town of Windsor otherwise Valid Except in proof of service of Notice on Parties in Interest.

SENATOR STRADA:

Mr. President, I move acceptance of the joint committee's favorable report and passage of the bill. This bill validates a certain tax sale deed in the Town of Windsor with otherwise would be valid except that the proof of service of notice on the parties of interest are lacking because of

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ment, Educational and Home Improvement Loans by Savings Banks.

SENATOR BUCKLEY:

Mr. President, I move acceptance of the joint committee's favorable report and passage of the bill. This bill clears up an apparent ambiguity in the previous law which allowed the Home Improvement Loan up to \$5,000. There was a question as to whether this included interest charges to be paid over the term of the loan or whether it didn't. The bill adds the words, netted interest charges to make clear that it is a full 5% of \$5,000 that's allowed on the loan.

THE CHAIR:

Question is on passage. Will you remark further". If not, all those in favor signify by saying, "aye". Opposed, "nay". The bill is passed.

THE CLERK:

CAL. NO. 427. File No. 377. Favorable report of the joint committee on Banks and Regulated Activities. House Bill 6178. An Act Concerning Veteran Administration Mortgages by Savings and Loan Associations.

SENATOR BUCKLEY:

Mr. President, I move the acceptance of the joint committee's favorable report and passage of the bill. The law now requires certain reserves against losses for State Savings and Loan Associations. The language which is added in line 32, is subsequent lines, says that that loss reserve, contingent loss reserve need not be greater than Federal Savings and Loans are required to have.

THE CHAIR:

Question is on passage. Will you remark further? If not, all those in favor. Say, "aye", Opposed, "nay". The bill is passed.

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to specifically, Mr. Ritter. In our particular...
yes?

Rep. Ritter: Maybe this isn't the time to go into detail. Maybe I should sit down and talk to you privately, because it's a rather, very unsightly and uncomfortable kind of situation in which I've observed from close up and I just wondered how widely spread the practice has been. Indeed, it may be cleared up.

But, essentially, it's a situation where a savings and loan unconscionably buys up paper which it has already essentially been responsible for causing to be brought about in the first instance and winds up with about a 25%, rather than a 12%, return. Is this outside the ken of your experience?

Mr. Bruno: I would say that that's not the general practice.

Rep. Ritter: I would hope it isn't general practice.

Mr. Bruno: No, No. It's not a practice that I would say that the associations that I have been closely connected with have practiced. I know we don't operate in that manner in Danbury, and we have a fairly sizable consumer loan portfolio for the size of our institution.

Rep. Ritter: Yes, may I ask you, do you feel that there are abuses that are wide-spread in this area, in this field at this time, in terms of this type of loan to your knowledge?

Mr. Bruno: No, not to my knowledge, but I might comment further that, possibly, years past there were more, far more abuses, but within recent years when the, as the consumer has been more aware, even the managements that were prone to do these things have been precluded from doing these things.

Rep. Blake: Anyone else wish to speak on 6172? Any opposition? Seeing none, the hearing is concluded. We'll now move on to 6173. In favor, those who wish to speak in favor of 6173?

HB-6173 (Rep. Healey) AN ACT CONCERNING FUNDS FOR CONTINGENT LOSSES FOR SAVINGS AND LOAN ASSOCIATIONS.

Charles Bruno: An act---Charles Bruno---"An Act Concerning Funds For Contingent Losses For Savings And Loan Associations". Favorable action on this bill will provide that a state-chartered savings and loan

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association will be subject to the same percentage allocation to reserves as that required of Federal associations. At present, the requirement for state-chartered ones is established as a percentage of the association's mortgage portfolio, while the requirement for Federal savings and loan associations is based on a percentage of its savings deposits. In conditions of tight money, such as 1970, this variance of the basis for computing the loss reserves has the effect of requiring a larger allocation from state-chartered associations than is required of Federal associations. Consequently, in order to fulfill the statutory reserve requirement, state-chartered associations found that they had to curtail their mortgage lending activity in some cases. During this same period the implementation of the national housing policy provided for a reduction in the percentage of allocation required of Federal associations. Thus, during the period of greatest need, reserve requirements of state-chartered associations were working against the borrowing public by further reducing the availability of mortgage credit. Adoption of this legislation will make savings and loan associations more responsive to the public need by making their reserve requirements flexible in accordance with the national housing goals.

Rep. Blake: Anyone else wish to speak in favor of 6173? Any opposition? Seeing none, the hearing on 6173 is concluded. We'll now move on to 6174. Those wishing to speak in favor of 6174?

HB-6174 (Rep. Healey) AN ACT CONCERNING CREATING PARITY FOR STATE CHARTERED SAVINGS AND LOAN ASSOCIATIONS WITH FEDERALLY CHARTERED SAVINGS AND LOAN ASSOCIATIONS.

Charles Bruno: Connecticut Savings and loan associations are in favor of Bill 6174. Enactment of Bill 6174 would eliminate the necessity to appeal to the legislature each and every time a change took place in the Federal level. An association could approach the Bank Commissioner with a request to allow a reasonably innovative privilege on the Federal level. The Bank Commissioner then, after due consideration, could approve said request and regulate the particular powers along the lines of the regulation pertaining to the Federal association. If the Commissioner so desired, he could refuse the applying institution and indicate that it was a legislative matter and not one of a regulatory nature.

This procedure has been successful in many other states where there is a Federal and state-chartered form of