

| <b>Act<br/>Number</b>   | <b>Session</b> | <b>Bill<br/>Number</b> | <b>Total<br/>Number of<br/>Committee<br/>Pages</b> | <b>Total<br/>Number of<br/>House<br/>Pages</b>   | <b>Total<br/>Number of<br/>Senate<br/>Pages</b>   |
|---|----------------|------------------------|--|--|---|
| PA 71-239   |                | 5665                   | 1  | 3  | 2   |
| <u>Committee Pages:</u> <ul style="list-style-type: none"> <li><i>Finance</i> 86</li> </ul> |                |                        |  | <u>House<br/>Pages:</u> <ul style="list-style-type: none"> <li>1884-<br/>1886</li> </ul> | <u>Senate<br/>Pages:</u> <ul style="list-style-type: none"> <li>1651-<br/>1652</li> </ul> |

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**CONNECTICUT  
GENERAL ASSEMBLY  
HOUSE**

**PROCEEDINGS  
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gentleman appears to be out talking to the mob.

EFH

MR. SPEAKER:

Is there objection to the matter being passed temporarily until and if the gentleman returns? Hearing none, the matter is passed temporarily.

THE CLERK:

Calendar No. 537, Substitute for H.B. No. 5665, an Act concerning extortionate credit transactions.

JOHN A. CARROZZELLA:

Mr. Speaker, I move for acceptance of the Joint Committee's favorable report and passage of the Bill.

MR. SPEAKER:

Question's on acceptance of the Joint Committee's favorable report and passage of the Bill. Will you remark.

JOHN A. CARROZZELLA:

Mr. Speaker, this Bill has to do with mobs, too, the type of mobs we want to keep out of the State of Connecticut...organized crime. It is another effort on the part of the Judiciary Committee to give our law enforcement officials the tools to combat organized crime. What it does is set up a separate and distinct penalty... or crime rather...for anyone who engages in any extortionic extension of credit. We all know what happens. Money is loaned, and then when the money is not repaid, violent means are used to try and get repayment of that money. This Bill would make that a Class D felony, which is up to ten years. In addition, the Bill gives other tools to the law enforcement officials in order to

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make it easier to prove the case. It makes...it sets up four factors which must be present in order to establish a prima facie case. In addition, it sets up the crime of conspiracy, and there is the additional crime, a penalty for extortion/<sup>of</sup>credit transactions involved in advancing any gift in order to obtain that credit. Mr. Speaker, this is a new law to the State of Connecticut. As I said before, it will help combat organized crime. I move its acceptance and passage.

MR. SPEAKER:

Will you remark further on the Bill.

FRANCIS J. COLLINS:

Mr. Speaker, I rise in support of this Bill. As Rep. Carrozzella said this marks a major improvement in our attack on organized crime. This Bill is aimed directly at loan-sharking and at some of the extortion and credit transactions that are often talked about that go on in every city in this State. This Bill, Mr. Speaker, was part of the Governor's package of proposals to fight organized crime in this State. I want to commend the Judiciary Committee for taking prompt action on it, and I can assure you that it will meet with the wholehearted approval of the Governor when it comes time for him to sign it.

MR. SPEAKER:

Will you remark further on the Bill.

JOHN A. CARROZZELLA:

Mr. Speaker, this is part and parcel of the Democratic leadership's proposal to combat organized crime as well.

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MR. SPEAKER:

With that note of unanimity, are there any further remarks.

FRANCIS J. COLLINS:

Mr. Speaker, did I forget to say that?

MR. SPEAKER:

The Chair would observe that you did, sir. If there are no further remarks, all those in favor of acceptance of the Joint Committee's favorable report and passage of the Bill will indicate by saying "aye". Opposed. The Bill is passed.

THE CLERK:

Page 8 of the Calendar, the top of the page, Calendar No. 545, Substitute for S.B. No. 178, an Act concerning exemptions from the Real Estate Conveyance Tax, amended by Senate Amendment Schedule "A".

GEORGE W. HANNON, JR.:

Mr. Speaker, I move acceptance of the Joint Committee's favorable report and passage of the Bill as amended by Senate Amendment Schedule "A", in concurrence with the Senate.

MR. SPEAKER:

Question's on acceptance and passage as amended by Senate "A", in concurrence. Will the Clerk please read the Amendment.

THE CLERK:

The Amendment is in the files as 160.

MR. SPEAKER:

EFH

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**SENATE**

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in the previous act we passed two years ago. Allowing state banks and trust companies to become one bank holding company. They were to my reading and by the explanation of the Banking Department technical changes.

THE CHAIR:

The question is on passage of the bill. Will you remark further? If not all those in favor of passage signify by saying aye. AYE. Opposed nay? The ayes have it. The bill is passed.

THE CLERK:

Cal. 515, File 482 Favorable substitute report of the joint standing committee on Judiciary Substitute H.B. 5665 An Act Concerning Extortionate Credit Transactions.

THE CHAIR:

Senator Jackson.

SENATOR JACKSON:

Mr. President, I move acceptance of the committee's report. And passage of the bill.

THE CHAIR:

Will you remark?

SENATOR JACKSON:

Mr. President this bill makes it a Class B. felony for anyone to engage in any extortion extension of credit. Sec. 2B spells out the factors that must be present in order to establish a prima facie case of extortion. A pre-payment plan is civilly unenforcable. Rate of interest involved is in excess of the 18%

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rate of interest. And extortionate means have been involved where the creditor has a reputation for using extortionate means Or is reasonably believed so by the debtor. And also that the standing amount is more than \$10.

The Judiciary Committee feels that this will go a long way in helping to police these particular types of transactions. We urge its passage.

THE CHAIR:

The question is on passage. Will you remark further? If not all those in favor of passage signify by saying aye. AYE. OPPOSED nay. The ayes have. The bill is passed.

THE CLERK:

Page 4, Cal. 526, File 490 Favorable substitute report of joint standing committee on Public Health and Safety on Substitute H.B. 8826 An Act Concerning Illegal Practices of Dentistry.

THE CHAIR:

Senator Pac.

SENATOR PAC.

Mr. President, I move acceptance of the joint committee's favorable report and passage of the bill.

THE CHAIR:

Will you remark?

SENATOR PAC:

This bill would prohibit any person or firm from selling

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an incentive to large developers to leave some of his land open. This concept planners are urging metropolitan areas all the time.

This letter addressed to Rep. Spain (mentioned in the message above) Dear Representative Spain, I understand that the Finance Committee will be hearing the following bills on February 10th....5665, 6555, H 6556 H 6564, H 5218 and H 5699. I would like to indicate my fullest support of the House Bills mentioned. Since at this writing, one rather the bills are apparently not yet printed, it is difficult to be specific...but relative to 5665. I strongly urge that there be some method of recapturing taxes on land no longer kept as open space. I would like to question whether the 10 percent tax on what's been deferred shouldn't be a much larger percentage. I hope that you will consider this. Sincerely R.G. Worcester, Chairman Simsbury Conservation Commission.

Rep. Clynes: Thank you.

Ralph Engels, representing the Connecticut State Grange: I think everything has been said here today, so I won't try to go into a lot of extra detail, but, we would prefer to see 490 kept the way it is. But if there are inequities in this law, we hope that they can be corrected as simply as possible without losing the services of Public Act 490. We have looked over Commissioner Gills recommendations and bills applying to them, we find, them acceptable to us and urge your favorable consideration to these bills. Thank you.

Rep. Clynes: Thank you.

John Tarrant, of the Tax Department: One of the items in the preamble of 490 when it was first enacted in 1963. Mentioned that the law was to prevent the transfer of farm land to more intensive uses. I submit to you this has not been the fact. Public Act 490 has not preventive the transfer to more intensive uses when the price is right. So, we need a rollback. I stand before you in favor of the rollback bills that are before you today. I would prefer that we have a complete rollback, for five years and after five years leave the owner do what he wants with the land. Even these bills that require the increase transfer tax I think should get it over with in five years. Take the 10 percent and put it there over five years, rather than stretch it out to ten. I think that there is no question on the need for rollback and for the first time I see people even in the farm industry advocating some sort of rollback. Even Dr. White who was the obstetrician at the birth of this idea back in 1963 he favored a rollback and he has favored it since and he has written books on it, and I have my own ad hoc committee report which describes Dr. White's position, on these various things and here is one of the items that he says. He admits that many landowners