

SB 839 - PA 71-831 - 1971

Judiciary 399 - 400, 444 - 445 4

Senate 2966 1

House 5900 1

6p

**JOINT  
STANDING  
COMMITTEE  
HEARINGS**

**JUDICIARY**

**PART 2  
393-688**

**1971**

Rep. Carrozzella; Mr. O'Connor to be followed by the Treasurer - why don't you speak Mr. Berdon?

Mr. Berdon: Thank you. My name is Robert Berdon, I am treasurer of the State of Connecticut and I am here to speak on Bill #839.

S.B. #839 - AN ACT CONCERNING THE ESCHEAT OF OWNERSHIP INTERESTS IN BUSINESS ASSOCIATIONS.

I am a little embarassed about this, I received a call yesterday at my office from Attorney Cross asking me whether I had any objections to the Bill and relying upon my comments that were made by my office, I said I did not but last night I went over the Bill and I do have three objections to it and I haven't been able to contact Mr. Cross. I tried to get him last nigjt on the telephone but was unable to do so.

The three objections that the treasury would have to the Bill are as follows: Section 4 would provide, and provides, under this Bill that the Treasurer would pay over to the business association the fair value of the stock interest id the business association had to make good because of court decree or other decree except for some other jurisdiction. I have no objection to this, providing that the Treasurer would not have to pay over more than he actually received for the stock interest - in other words, that their interest as provided in Section 4 should be limited to the amount that the Treasurer actually receives for the sale of the stock.

My second objection - my second comment would be Section 5 of the Bill which provides that the treasurer is to sell the stock interest or sell the property at public sale and the second part provides that the business association would have a right of first refusal on the part of the business interest is an acception to the first part of Section a if the business interest does not excercise their right of first refusal for the purchase of the stock interest, then the treasurer would have authority to sell it at public sale.

The third point that I would like to make is pertaining to the same Section where the treasurer would have to appoint appraisers to determine their value of a stock interest. I have no objections to this providing that the expense of the appraisal is born by the business association that requests it and that they advance the cash for the cost of the appraisal before the treasurer actually performs or hires three independent appraisers. Those are my only three objections to the Bill.

Rep. Carrozzella: Thank you, Mr. Berdon.

8  
BC  
THURSDAY

JUDICIARY COMMITTEE

FEBRUARY 25, 1971

Sen. Rome: Mr. Berdon, Senator Rome 8th District. Is it possible that your department might prepare a Bill - a substitute Bill bringing forth some of the suggestions that you have made here so we might consider it at the same time we consider this Bill.

Mr. Berdon: Certainly, I will certainly do it.

Rep Carrozzella: I saw Representative Clark.

Rep. Clark: Representative Clark from 101st District. I would like to speak briefly in support of H.R. #6502.

H.B. #6502 - AN ACT CONCERNING THE DISSOLUTION OF MARRIAGE.

Although I cannot add very much to the commentary of the Family Law Committee of the Connecticut Bar Association, I feel that this Bill is a better approach than the existing Statute. The possibility that mandatory conciliation might help heal the breach, and the children are better protected, I feel are the two major benefits and I hope you will act favorably on this Bill. Thank you.

Rep Carrozzella: Thank you, Representative Clarke.  
Hilda S. Clarke, 158th District

Rep. Clarke: A little confusion here with all the Clark's. Mr. Chairman and Members of the Committee, I wish to register in favor of H.B. #5718.

H.B. #5718 - AN ACT CONCERNING SECURITY DEPOSITS ON RENTALS IN MULTIPLE DWELLINGS.

Stamford has a great many high-rise apartments and this is today a great complaint of the tenants. The Bill provides an advance of security deposit required on apartment rentals to be held in escrow account by the lessor and returned to the lessee upon expiration of the lease. With interest amounting to 1½% less than that received for the account.

The Bill also provides protection for landlords claims to deposit for valid reasons. It seems to me that this is a fair Bill and that I hope it will have your consideration. Thank you very much.

Rep. Carrozzella : Thank you. Are there any other Representatives Representative Costello.

Rep. Costello: Mr. Chairman; and Members of the Committee, I am Representative Costello from the 72nd District. I have two Bills before you today, one is H.R. #6653.

H.B. #6653 - AN ACT CONCERNING THE LIMITATION OF LIABILITY OF PHYSICIANS IN MALPRACTICE CASES.

Rep. Carrozzella: Thank you. Mr. O'Conner to be followed by Mr. Cross.

Mr. O'Conner My name is Michael O'Conner, Deputy Director, Norwalk, Stamford, Danbury Regional Legal Services speaking on behalf of H.B. #6502.

H.B. #6502 - AN ACT CONCERNING THE DISSOLUTION OF MARRIAGE.

One of the reasons why the Legal Services program is interested in the reform of current divorce procedure, is that as you know, under our mandate, we are required and are actively engaged in trying to better the lot of poor people through the services of a limited number of attorneys located at several cities in the State of Connecticut. We are relatively few in number and are trying to do our utmost to better the lot of the indigent.

One of our formal problems of all legal services programs is the fact that there is an over abundance of marital cases, let us say divorce cases, etc., Now because of the excess number of divorce cases at every legal service program are faced with, this means that our focus therefore cannot be enlarged as much as we would like and because we are - to a certain extent over burdened by divorce matters, that we are not able to get to other key matters such as housing, consumers, ect, which probably in the ultimate, are much more important to the population than an individual divorce matter.

Therefore, in the event that the Legislature were to pass this liberalized divorce bill, which would mean that the procedure for divorce would be relatively simplified, in that there would be no need for witnesses, etc., I think ultimately, one of the effects would be to better the lot of the indigent in Connecticut in that the olio attorneys who are representing them would thus be freed and have additional time to spend on other critical matters such as we have outlined - housing problems of the consumer., etc.

Therefore, on behalf of the Legal Service Programs, I should like to endorse the Bill.

Rep. Carrozzella: Thank you: Mr. Cross to be followed by Elizabeth Spalding.

Mr. Cross: My name is Samuel S. Cross and I am Chairman of the Corporation Law Committee of the Connecticut Bar Association. I would like to address myself to S.B. #839.

S.B. #839 - AN ACT CONCERNING THE ESCHEAT OF OWNERSHIP INTERESTS  
IN BUSINESS ASSOCIATIONS.

This was before the General Assembly last Session, in fact, it passed,. It is Public Act #558 and to my chagrin, the Governor vetoed it on the basis of a letter from the Attorney General saying he found a section vague. Moreover he did not think we needed this in light of the present law, which was a considerable chagrin because we spent about four years on it and had gone to a corporation primarily which has lost contact with its shareholders and how do you get rid of the shareholders of record which is a nuisance.

The present law in Connecticut is based on a 1961 copulation by the Legislative Council and in Chapter 3, which is under the State Treasurer's Jurisdiction and it is based on the uniform disposition of the unclaimed Property Act but that Act was really drafted around the needs of banks and trustees and custodians who have - and insurance companies who have proceeds that belong to people who cannot be found. It was never really analyzed in the context of the problems of corporate securities and shareholders record and the Connecticut Bar Association became interested in this through the Committee on Corporation Law and as I say I think it was completely a misunderstanding that the Bill was vetoed.

As you know the State Treasurer this year has introduced this Bill and supports it. Now, I talked to Mr. Berdon this morning and he told me that in his testimony he had made certain other suggested drafting changes in the Bill. I have gone over these with him and plan to work with him in drafting a substitute Bill to take care of whatever problems he sees in them.

Sen. Rome: We have suggested that he draft a substitute Bill and if you could, contact him for.....

Mr. Cross: Yes, we have agreed too to that but I wanted to encourage you, by all means, to get this back in the hopper and the veto, I feel, is a misunderstanding.

While I am here, just let me comment on Bill #822.

S.B. #822 - AN ACT CONCERNING THE ACTIVITIES OF CERTAIN CHARITABLE CORPORATIONS.

This is a Bill that has been drafted to satisfy the requirements of Internal Revenue Code Section 508e. The Corporation Law Committee has been over this and has approved the efforts that have gone into this. Thank you.

Rep. Carrozzella: Elizabeth Spalding to be followed by Ray Lyddy.

S-82  
CONNECTICUT  
GENERAL ASSEMBLY

SENATE

PROCEEDINGS  
1971

VOL. 14  
PART 7  
2874-3413

June 5, 1971

Page 5

SENATOR CALDWELL:

On page 1, Cal. 1134, 568; on page 5, C L. 1047; on page 6, Cal. 1067; on page 7, Cal. 1110, 1116; on page 8, Cal. 1131, 1133; on page 11, Cal. 1159 page 12, Cal. 1160, 1164, 1165, 1168, 1169; I might point out that that Calendar is currently marked Banks and should be the Liquor Committee; on page 13, Cal. 1170, 1171, 1179; page 14, Cal. 1182; on page 17, Cal. 1208; on page 23, Cal. 919, on page 26, Cal. 327; on page 28, Cal 491; on page 30 Cal. 664; on page 31, Cal. 733; on page 14, I omitted one, that we might take up, Mr. President, and that is Cal. 1181. SB1017, SB808, SB1187, SB1837, SB584, SB839, SB1787, SB592, SB890, SB337, THE CHAIR: SB1836, HB5190, SB1588, SB31, SB1828, SB988, SB1139

Is there any objection to the motions recommended by the Majority Leader for suspension of the rules on any single starred or no starred items and for the passage of all bills, as described by him? If not, the motions are granted, said bills are declared passed.

SENATOR CALDWELL:

Mr. President, I had a request from the Chairman of the General Law Committee, to remove one of those that I had placed on the Consent Motion, so I withdraw my motion with respect to that particular matter, it's on page 28, top of the page, Cal. No. 491.

THE CHAIR:

I don't think it's necessary to go through the proceeding of reconsideration. The motion is to withdraw the approval of that bill from the consnt list, if there is no objection. So ordered. That bill is not passed.

SENATOR CALDWELL:

Now, may we take up the following matters? On page 2, Cal. 665, recomit 765, take up 788; on page 3, take up Cal. 851, 858, 865, 925, and 929; on

**H-120**

**CONNECTICUT  
GENERAL ASSEMBLY  
HOUSE**

**PROCEEDINGS  
1971**

**VOL. 14  
PART 13  
5555-6226**

Wednesday, June 9, 1971

4

of the Parole Process, File No. 1650; Calendar No. 1629, substitute for S.B. No. 0821, An Act Concerning the Disclaimer of Property, File No. 1604; Calendar No. 1630, substitute for S.B. No. 0839, An Act Concerning the Escheat of Ownership Interests in Business Associations, File No. 1693; Mr. Speaker, in as much as this is the last consent calendar we'll have the privilege to bring before the House, I would now yield to Rep. Gilles from Middletown.

MR. GILLIES (75th):

Mr. Speaker, I move the following items be placed on consent, Calendar No. 1631, substitute for S.B. No. 0910, File No. 1590, An Act Concerning Rates Charged by Municipalities; Calendar No. 1632, substitute for S.B. No. 0988, An Act Concerning Persons Exempt from Registration as Professional Engineers and Land Surveyors, File No. 1054; Calendar No. 1633, substitute for S.B. No. 1017, An Act Concerning Full Disclosure of Property, Wages or Indebtedness on all Support Cases to the Circuit Court Family Relations Division, File No. 1605; Calendar No. 1636, substitute for S.B. No. 1187, An Act Concerning the Admissions, Dues and Cabaret Tax, File No. 1645; Calendar No. 1644, S.B. No. 1787, An Act Concerning Parole or Conditional Discharge of Persons to a Residential Community Center, File No. 1692; Calendar No. 1645, S.B. No. 1828, An Act Concerning Medical Internships, File No. 966; Calendar No. 1646, S.B. No. 1836, An Act Extending the Time for Filing Biennial Reports of the Norwalk Town Union of the King's Daughters and Sons, Incorporated, File No. 1714. I move that these items be passed on the consent calendar.

THE SPEAKER:

Is there objection to any of these items being adopted on the consent calendar? If not, the question is on acceptance and passage. All those in favor indicate by saying aye. Opposed? The bills indicated are PASSED.