

Legislative History for Connecticut Act

Public Act: 01-175

Bill Number: 5732

Senate Pages: 3429-3435, 3519-3520

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House Pages: 4372-4378, 7225-7236

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Committee: Banking: 181-187, 248

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Transcripts from the Joint Standing Committee Public Hearing(s) and/or Senate
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CONNECTICUT
GEN. ASSEMBLY
SENATE

PROCEEDINGS
2001

VOL. 44
PART 11
3168-3508

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003429

June 5, 2001

The bill is passed.

THE CLERK:

Calendar Page 6, Calendar 528, File 537 and 822, Substitute for H.B. 6994. An Act Concerning Municipal Fiscal Disparities, as amended by House Amendment Schedule "A". Favorable Report of the Committees on Planning and Development, Finance, Revenue and Bonding, Transportation and Legislative Management. The Clerk is in possession of amendments.

SEN. JEPSEN:

Madam President, if the Chamber could stand at ease for a moment.

THE CHAIR:

The Chamber will stand at ease. Senator Jepsen.

SEN. JEPSEN:

I would ask if this item could be passed temporarily. I would also ask at this time that Page 6, Calendar 541 be passed temporarily.

THE CHAIR:

Both items will be passed temporarily.

SEN. JEPSEN:

The Clerk can continue with the Call of the Calendar.

THE CLERK:

Calendar 536, Files 144 and 834, Substitute for

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003430

H.B. 5732 An Act Concerning Identification Required for
Check Cashing, as amended by House Amendment Schedules
"A" and "B". Favorable Report of the Committee on
Banks. The Clerk is in possession of amendments.

THE CHAIR:

Senator McDermott.

SEN. MCDERMOTT:

Thank you, Madam President. I move Joint
Committee's Favorable Report and passage of the bill.

THE CHAIR:

The question is on passage. Will you remark?

SEN. MCDERMOTT:

Basically, Madam President, there is no, first
before we do that, I would move that we strip House "B".

THE CHAIR:

Motion is to reject House "B"?

SEN. MCDERMOTT:

Sorry, reject House "B". Thank you.

THE CHAIR:

The motion before us is for rejection of House "B".

All those in favor indicate by saying "aye".

ASSEMBLY:

Aye.

THE CHAIR:

Opposed "nay"? The ayes have it. The motion

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carries to reject House "B". Senator McDermott.

SEN. MCDERMOTT:

Thank you, Madam President. Basically, this is a bill that would require if you have a check that is \$500 or less that is drawn on another bank, if you go to that bank to cash that check you can cash it with two forms of identification.

I believe there's an amendment. I'd like to yield to Senator Coleman at this time.

THE CHAIR:

Senator Coleman, do you accept the yield?

SEN. COLEMAN:

Yes, Madam President, I do. And the Clerk does have an amendment, LC08543. I'd ask that the Clerk please call that amendment.

THE CLERK:

LC08543 which will be designated Senate Amendment Schedule "A". It is offered by Senator Coleman of the 2nd District.

THE CHAIR:

Senator Coleman.

SEN. COLEMAN:

Madam President, I move waiver of the reading of the amendment and request leave to summarize the amendment.

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THE CHAIR:

Move adoption.

SEN. COLEMAN:

And I move adoption of the amendment.

THE CHAIR:

The question is on adoption. Will you remark?

SEN. COLEMAN:

Madam President, the amendment before us would somewhat revise the existing statutes regarding state and national criminal history checks in order to comply with the requirements of the Federal Bureau of Investigation and the primary revision would make the agencies that submit requests for criminal history record checks to submit fingerprints or positive forms of identification of the subject of the record check to accompany the request for the record check to the FBI.

I move adoption of the amendment, Madam President.

THE CHAIR:

The question is on adoption. Will you remark?

Senator Smith.

SEN. SMITH:

Thank you, Madam President. Through you to the proponent of the amendment, Senator, how is this related to the underlying bill?

THE CHAIR:

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Senator Coleman.

SEN. COLEMAN:

Well, through you, Madam President, to Senator Smith. It's related to the underlying bill in the respect that the underlying bill also requires forms of identification as well as the amendment requires forms of identification. Through you, Madam President.

THE CHAIR:

Senator Smith.

SEN. SMITH:

Thank you, Madam President. The underlying does require forms of identification for cashing checks and this amendment requires what, Madam President, through you to the proponent?

THE CHAIR:

Senator Coleman.

SEN. COLEMAN:

I repeat. The amendment as well as the bill require submission of forms of identification. Through you, Madam President.

THE CHAIR:

Senator Smith.

SEN. SMITH:

Thank you, Madam President. I appreciate the Senator's answer.

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THE CHAIR:

Thank you, Sir. Will you remark further? If not, I will try your minds. All those in favor of Senate Amendment "A" please indicate by saying "aye".

ASSEMBLY:

Aye.

THE CHAIR:

Opposed, "nay"? The ayes have it. The amendment is adopted. Will you remark further on the bill as amended? Senator Coleman.

SEN. COLEMAN:

Thank you, Madam President. The Clerk has LC08637. I'd ask the Clerk to please call that amendment.

THE CLERK:

LC08637 which will be designated Senate Amendment Schedule "B". It is offered by Senator Coleman of the 2nd District.

THE CHAIR:

Senator Coleman.

SEN. COLEMAN:

Madam President, this amendment would require applicants for positions with the Board of Parole to submit to state and national criminal history record checks in accordance with the requirements of the FBI and the Connecticut State Police. I move adoption of

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the amendment, Madam President.

THE CHAIR:

The question is on adoption. Will you remark further? Will you remark further? If not, I will try your minds. All those in favor indicate by saying "aye".

ASSEMBLY:

Aye.

THE CHAIR:

Opposed, "nay"? The ayes have it. The amendment is adopted. Will you remark further on the bill as amended? Senator McDermott.

SEN. MCDERMOTT:

Madam President, if there's no objection, I'd like this to go to the Consent Calendar.

THE CHAIR:

Motion is to refer this item to the Consent Calendar. Without objection, so ordered.

THE CLERK:

Calendar Page 12, Calendar 182, File 161 and 532, Substitute for S.B. 1299 An Act Concerning the Authority of the Department of Economic and Community Development Regarding an Airport Development Zone at Bradley International Airport and the Route 34 Parcel in New Haven. Favorable Report of the Committees on Commerce

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Mr. Clerk, just a moment please. (GAVEL) Mr. Clerk, please call the Consent Calendar.

THE CLERK:

Madam President, the Second Consent Calendar begins on Calendar Page 18, Calendar 555, S.R. 28.

Calendar Page 19, Calendar 556, S.R. 29.

Calendar 548, Substitute for H.J. 41.

And Calendar Page 21, Calendar 147, Substitute for S.B. 1068.

And Madam President, also on Page 6, Calendar 536, Substitute for H.B. 5732. Madam President, that completes the Second Consent Calendar.

THE CHAIR:

Thank you, Sir. Would you once again announce a roll call vote. The machine will be opened.

THE CLERK:

An immediate roll call has been ordered in the Senate on the Consent Calendar. Will all Senators please return to the Chamber.

An immediate roll call has been ordered in the Senate on the Consent Calendar. Will all Senators please return to the Chamber.

THE CHAIR:

Have all members voted? If all members have voted, the machine will be locked. The Clerk please announce

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the tally.

THE CLERK:

Motion is on adoption of Consent Calendar No.

2.

Total number voting 36; necessary for passage, 19.

Those voting "yea", 36; those voting "nay", 0. Those absent and not voting, 0.

THE CHAIR:

The Consent Calendar is adopted. Senator Jepsen.

SEN. JEPSEN:

Madam President, the Clerk is in possession of an Agenda, I believe.

THE CLERK:

It is not here yet.

SEN. JEPSEN:

Madam President, I move for immediate transmittal of all items recently acted upon to the House of Representatives as appropriate.

THE CHAIR:

Without objection, so ordered.

SEN. JEPSEN:

Madam President, it is our intention to take a brief break at this time. We will have plenty of work to do when we come back. So I would ask that the Chamber stand in recess subject to the Call of the

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House of Representatives

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The Clerk will please announce the tally.

THE CLERK:

House Bill 6657. Total number voting, 142; necessary for passage, 72; those voting Yea, 103; those voting Nay, 39; absent, not voting, two.

SPEAKER LYONS:

The bill passes.

Would the Clerk please call Calendar 130?

THE CLERK:

On Page 2, Calendar 130, Substitute for H.B. NO. 5732, AN ACT CONCERNING IDENTIFICATION REQUIRED FOR CHECK CASHING. Favorable report of the Committee on Banks.

SPEAKER LYONS:

Representative Doyle, you have the floor, sir.

REP. DOYLE: (28th)

Thank you, Madam Speaker. I move acceptance of the Joint Committee's favorable report and passage of the bill.

SPEAKER LYONS:

The question before the Chamber is on acceptance and passage. Will you remark?

REP. DOYLE: (28th)

Thank you, Madam Speaker. The underlying bill was passed through the Banks Committee. And since the

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committee sent out the bill, the matter has been -- this issue has been under discussion with several parties.

And at this point, therefore, I'd like to call an amendment, LCO No. 7471. May the Clerk please call and I be allowed to summarize, Madam Speaker?

SPEAKER LYONS:

Will you remark further on -- oh. Okay. The Clerk has in his possession LCO 7471, which will be designated House "A". Would the Clerk please call? The gentleman has asked leave to summarize.

THE CLERK:

LCO No. 7471, House "A", offered by Representatives Doyle and Mantilla.

SPEAKER LYONS:

Representative Doyle.

REP. DOYLE: (28th)

Thank you, Madam Speaker. House "A" is a strike-everything amendment that deals with the issue of check cashing. After discussions between the parties, this compromise language -- the issue as presented to our committee is whether or not people had difficulty cashing checks in our districts. This bill requires the bank to cash checks up to \$500.00 with no more than two identifications. The proviso is one of the identifications must be a passport, a driver's license

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or one of the DMV ID's. It's a compromise amendment for the underlying bill. And I move its adoption.

Thank you, Madam Speaker.

SPEAKER LYONS:

Will you remark further on the amendment that is before us?

Representative Stripp.

REP. STRIPP: (135th)

Thank you, Madam Speaker. Madam Speaker, I rise to support this bill as amended. It's been on a long, evolutionary journey and it's now at a level that would be very advantageous to both the consumers in the state as well as banks.

The only regret I have, Madam Speaker, is the fact that it does not apply to out-of-state banks. But they're beyond our control and reach at this point.

I would hope my colleagues would support the bill as amended.

Thank you, Madam Speaker.

SPEAKER LYONS:

Will you remark further on the amendment? Will you remark further on the amendment that is before us? If not, let me try your minds. All those in favor please signify by saying Aye.

VOICES:

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Aye.

SPEAKER LYONS:

Those opposed Nay?

The Ayes have it. The amendment is adopted.

Will you remark further on the bill as amended?

Will you remark further on the bill as amended?

Representative Metz.

REP. METZ: (101st)

Thank you, Madam Speaker. Madam Speaker, the Clerk has a second amendment to this bill. It's LCO No. 7753.

I would ask that he call it and I be permitted to summarize it.

SPEAKER LYONS:

The Clerk has in his possession LCO No. 7753, which will be designated House "B". Will the Clerk please call? The gentleman has asked leave to summarize.

THE CLERK:

LCO No. 7753, House "B", offered by Representative Metz.

REP. METZ: (101st)

Madam Speaker, this bill would prohibit a bank or other entity cashing a third-party check from printing the credit card number or Social Security number of the person cashing the check on the check at the time it was cashed. And I move adoption.

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SPEAKER LYONS:

The question before the Chamber is on adoption.
Will you remark further?

Representative Metz.

REP. METZ: (101st)

Thank you, Madam Speaker. Madam Speaker, this is -- very simply, this bill or this amendment was, in fact, a portion -- in a slightly different form, a portion of the original bill that came before us. And it's designed for the protection of the privacy of the person cashing a check.

When a person takes a check to the bank of the person who drew the check in order to cash it, usually they are going there to make sure there are funds in the account or for convenience. But, if they don't have an account at that bank, the bank, after requiring identification as ascribed in Amendment "A", will then make a record of that identifying information.

Unfortunately, banks have been writing information like credit card numbers on these checks when they cash them. The check with that intimate information of the person cashing it goes back to the person who drew it, a person who probably has no right to know it. And this amendment would prohibit that.

Thank you, Madam Speaker.

SPEAKER LYONS:

Thank you, sir.

Will you remark further on the amendment that is before us? Will you remark further on the --

Representative Doyle.

REP. DOYLE: (28th)

Thank you, Madam Speaker. This amendment was also part of the original file copy -- or similar language to this. It's a complicated issue. And at this point, I would support the amendment.

Thank you, Madam Speaker.

SPEAKER LYONS:

Thank you, sir.

Will you remark further on the amendment? If not, let me try your minds. All those in favor please signify by saying Aye.

VOICES:

Aye.

SPEAKER LYONS:

Those opposed Nay?

The Ayes have it. The amendment is adopted.

Will you remark further on the bill as amended?

Will you remark further on the bill as amended? If not, would staff and guests come to the well? Members take your seats. The machine will be opened.

THE CLERK:

The House of Representatives is voting by Roll Call. Members to the Chamber. The House is voting by Roll Call. Members to the Chamber.

(Whereupon, a Roll Call vote was taken.)

SPEAKER LYONS:

Have all the members voted? Have all the members voted? Would the members please check the board to make sure that your vote is accurately recorded?

If all the members have voted, the machine will be locked and the Clerk will take a tally.

(Whereupon, a tally of the votes was taken.)

SPEAKER LYONS:

Would the Clerk please announce the tally?

THE CLERK:

House bill 5732 as amended by House "A" and "B".
Total number voting, 142; necessary for passage, 72;
those voting Yea, 140; those voting Nay, two; absent,
not voting, eight.

SPEAKER LYONS:

The bill as amended passes.

Will the Clerk please call Calendar No. 358?

THE CLERK:

On Page 7, Calendar 358, Substitute for S.B. No. 1075, AN ACT CONCERNING THE LICENSING OF HOME

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branch.

REP. HORTON: Correct. And this isn't -- and I just want to make clear for the record, this is not Representative Horton or Representative Green or Representative McCluskey picking on Fleet Bank. I think it's important to note that of -- Albany Avenue as a main commercial corridor and a main thoroughfare in the City of Hartford, Fleet is the only bank that has a branch on Albany Avenue. Webster has a branch on Homestead Avenue which is just south of Albany Avenue and as I said earlier in my testimony, Peoples is looking at bringing in a branch on Albany Avenue. But to their credit, Fleet has been a resident of the Albany Avenue community for many, many years and certainly we're thankful for that. Our issue is now let's make them full service - 24/7 basically.

I also want to note that I did propose this piece of legislation with Representative Green and Representative McCluskey, obviously, at the beginning of the session. These developments that I've indicated to you are very, very -- as of this week -- so I'm - we are learning these new developments as we go along. I don't think there was any connection between this bill and the developments, but I just wanted to bring that to the Committee's attention and certainly thank Fleet for their commitment to the community and urge other banks who maybe in the situation, to do the same thing.

SEN. MCDERMOTT: I'm sure Fleet appreciates your compliments. We'll pass them along to them.

Are there any other questions from members of the Committee? Seeing none, thank you very much.

REP. HORTON: Thank you very much, Mr. Chairman.

SEN. MCDERMOTT: Representative Mantilla.

REP. MANTILLA: Thank you. Good afternoon, Senator McDermott, Representative Doyle and members of the Committee.

For the record, I'm Representative Evelyn Mantilla of the 4th District here in Hartford. As your colleague, I'm particularly glad to be here before you to talk about a bill that I have submitted and that I am thankful you have raised for a public hearing. And that's H.B. 5732, AN ACT CONCERNING IDENTIFICATION REQUIRED FOR CHECK CASHING.

Forgive me for not having written testimony, but I really wanted to come here to explain to you the experience that I have observed, not just with my own constituents, but really people across the State that have had a great deal of difficulty when they have very few resources, particularly people living in poverty, have difficulty actually being able to cash a check in the same bank that that check was drawn from.

It maybe not the most common knowledge to most of us because our experience is so different. We're used to having and managing our checking accounts or savings accounts, banking. We bank over the internet. We bank on the phone and we make payments to our creditors in various manners and in very easy ways. But we often don't realize that there are a lot of people who have much less resources than we may have who do not, because of that, are able to have bank accounts of any type.

So I particularly represent a great deal of families that come every month when they need to pay their gas bill and their electricity bill - because they have no checking account and no bank account of any type, have to go to the post office, pay additionally to be able to buy a money order and therefore make the payment.

If those individuals themselves receive a payment, a check drawn from any particular bank and they do not have an account with that bank, they're coming into a lot of difficulty cashing that check by going to that bank mainly because of the type of identification that is being required of them.

And what I have observed in my own bank and several others is that most banks, I believe, are requiring at least two forms of identification, regardless of

whether that - particularly when the check is from that very same bank and the list to choose from for those i.d.'s makes it impossible for a lot of individuals.

Most of the list that I have seen so far, for example, do require at least one i.d. from Motor Vehicles, whether it's a drivers license or the DMV issued photo i.d. which is quite easy for just anyone to obtain and is very useful. But beyond that, the rest of the choices generally are things like passports, employee i.d.'s with pictures, major credit cards, birth certificates, and so on and so forth.

So I've had a lot of constituents who get paid for whatever reason with a check from a particular bank go to the bank hoping to be able to cash it and they're turned back time and time again because they're simply not able to produce the types of i.d.'s that are on these lists.

So the proposal for this bill basically is to reduce the requirement to only one form of identification. It must be a picture i.d.. I think that's quite appropriate in terms of being able to have secure transactions.

So, I thank you once again and I hope to see some support from this committee on this bill.

SEN. MCDERMOTT: Thank you very much, Representative. Would you be satisfied if it be required that the i.d. - the photo i.d. be a drivers license or a DMV issued i.d.?

REP. MANTILLA: Absolutely I would be. I think that both forms of - both of those forms of i.d. are, in fact, accessible to everyone.

SEN. MCDERMOTT: It would be difficult to use if the only form of i.d. was an employee identification card with a photo on it, that that would be difficult for a bank to accept.

REP. MANTILLA: And I understand that, definitely.

SEN. MCDERMOTT: The reason being that there's a lot of fraud involved which cost all of us money in the end. But they don't -- I don't think they turn people away indefinitely. I think by law they have to honor that check within a 24-hour period. So they can verify that the signature is authentic and that's the right account.

So you see that that encounters a burden?

REP. MANTILLA: Well, the two forms of i.d. that you mentioned, I think are entirely appropriate to be the ones that are required. The matter of the bank having to cash that check within a 24-hour hold, is a piece that I'm not completely educated on. So I'm actually not able to respond to that, as well.

My experience simply has been and I literally have taken one or two individuals to a bank where they were not able to cash that check. Whether they were offered the ability to come back the next day after a hold is released, I haven't seen that happen.

SEN. MCDERMOTT: Thank you very much. Are there any other questions? Representative.

REP. JANOWSKI: Just a quick question with regard to the type of identification. There are a number of seniors in my town who do not drive. So they do not have a drivers license.

Has any consideration been given to other types of identification besides a drivers license? Does it have to be a picture i.d.?

REP. MANTILLA: Well, I'm recommending that it be a picture i.d. because I understand the need to be able to prevent fraud which we don't want to encourage in any way. We all do end up paying for it. But it is for that very same reason, -- many of the individuals that I have experienced this with also do not drive. However, they do have access to obtaining an official form of picture i.d. from the Department of Motor Vehicles even though they're not drivers. It doesn't allow them to drive. It simply makes a more formal and

official form of i.d..

So in my opinion, that one will hopefully cover all of those individuals.

REP. JANOWSKI: Okay. So then the Department of Motor Vehicles - I wasn't familiar with the fact that the Department of Motor Vehicles will do a picture i.d.? Okay.

And just one other comment. I know that voter registration cards can be used as a secondary form of i.d. even though it's not a picture i.d. and I've encouraged my seniors to do that also because some banks do require two forms of identification.

REP. MANTILLA: Oh, okay. That's one I haven't seen.

REP. JANOWSKI: So that's another thing that might be considered.

SEN. MCDERMOTT: It's a good way to encourage people to register to vote too, huh.

REP. JANOWSKI: Yes, correct.

SEN. MCDERMOTT: Are there any other questions from committee members? Seeing none, thank you very much for being here.

REP. MANTILLA: Thank you. I appreciate your time.

REP. DOYLE: We'd like to, at this point, conclude the public officials and the first member of the public is David Wiese from Connecticut Bankers Association. Next is Vince Fini and Larry Gramling from the CPA's. But David Wiese is up right now.

SEN. MCDERMOTT: Please keep your comments to the three minutes, as well. If you hear the bell go off, you'll know your three minutes are up.

DAVID WIESE: Senator McDermott, Representative Doyle, members of the Committee, thank you for allowing me to testify here.

For the record, my name is Dave Wiese. I'm with

Tyler, Cooper and Alcorn and I'm here on behalf of the Connecticut Bankers Association.

I believe the Association has submitted some written testimony on a number of bills. Thankfully, I'm not going to elaborate on all of the written testimony, but instead try to focus on a couple of key issues.

The first thing I'd like to comment on is a series of three bills that are somewhat related - S.B. 156, AN ACT CONCERNING THE CASHING OF CHECKS BY BANKS; H.B. 5729, AN ACT CONCERNING THE IDENTIFICATION FOR CASHING CHECKS; and H.B. 5732, AN ACT CONCERNING IDENTIFICATION REQUIRED FOR CHECK CASHING.

The Association's position on these bills is opposed. They deal, primarily, with an issue that is of significant concern to the banking industry and that is primarily the ability of the industry to identify and prevent fraud, particularly check fraud. It is a huge issue that a recent ABA study suggests that there was close to \$2 billion worth of attempted check fraud in 1999 and similar numbers in the year 2000.

This is not just a monetary issue for the industry. It is really all about a consumer protection issue. That is, the issue of protecting consumer depositors against fraudulent access to their accounts.

Consumers in this State, businesses, and the like, expect and even demand that banks exercise diligent procedures to identify individuals, to check i.d.'s in order to prevent this type of fraud and these three bills would have the effect, if you will, of limiting or tying the banks' hands with respect of the ability to verify funds.

Some of the bills -- I won't go into them one-by-one, but some of the bills would even suggest that you need to cash a check upon the presentation of a particular i.d. In some cases, that i.d. may not be verifiable like an employer's card. In other cases, even if they do present proper i.d., the

notion that we have to cash the check is going to cause troubles under other laws that suggest that there may - we may not be able to cash checks such as the money laundering laws which may prevent us from cashing checks or stop payment orders or funds availability laws.

So, all of these laws are somewhat ill-advised with respect to our primary goal and that is one of consumer protection.

The next bill I want to mention is S.B. 334, which is, AN ACT CONCERNING OVERDRAFT CHARGES. This bill would effectively limit the charging of overdraft charges for multiple overdrafts in a 24-hour period. The most important point I think I'd like to make with respect to this bill is that as a practical matter, national banks and other federally chartered institutions would be exempt from this type of fee legislation as a result of federal pre-emption arguments. As a result, it would result in a competitive disadvantage for state chartered banks and result in a somewhat odd anomaly where businesses and individuals who regularly bounce checks, may very well migrate towards state chartered banks who are incapable of imposing fees to recover the expense of handling bad checks as well imposing deterrent fees to prevent the irresponsible use of these bank accounts.

The next bill I'd like to talk about is AN ACT CONCERNING FEES CHARGED FOR INACTIVE SAVINGS ACCOUNTS. Again, this is an issue that involves pre-emption arguments and any such legislation may very well not be applicable to national banks and other federally chartered institutions.

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With respect to inactive savings accounts, particularly small balance accounts, it should be remembered that these deposit accounts, although they're very inactive by their very nature, do not make a lot of money for the banks. It's not like a \$5 or a \$10 balance is going to earn a lot of interest for the institution.

But at the same time, even though the account is



CONNECTICUT BANKERS
ASSOCIATION

February 8, 2001

To: Members of the Banks Committee

From: Connecticut Bankers Association

Re: CBA Testimony on Various Banking Bills Before the Committee

S. B. 156, An Act Concerning the Cashing of Checks by Banks

H. B. 5729, An Act Concerning Identification for Check Cashing

H. B. 5732, An Act Concerning Identification Required for Check Cashing

Position: Oppose

All these bills deal with a primary area of concern for banks everywhere, verifying the identity of the individual cashing the check, and verifying the validity of the check presented. This concern continues to grow because of the ever-increasing attempts at check and identity fraud across the nation, which stood at \$2 billion in a recent ABA national survey.

S. B. 156 mandates the cashing of an "on us checks", presumes that every customer and the check they present will be legitimate. This bill is an open invitation for individuals engaging in check fraud schemes to test the limits of a bank's procedures.

H. B. 5729, would mandate employee identification cards as an acceptable form of photo ID. An employee photo ID is easily forgeable with far less controls of production than the standard state issued driver's license or identification card. Even state agencies such as the Department of Social Services have agreed with the banking industry that a driver's license and one other form of ID was the most acceptable and "fraud proof" means of establishing identity when government assistance checks were being issued.

H. B. 5732 with its mandate of allowing one photo ID for check cashing even further undermines the ability of a bank to verify the identity of the person cashing the check. For this and the previously covered issues we urge your rejection of this concept.

The last and most important issue associated with the overall issue of identity fraud and check cashing, is the protection of a bank customer's monies. A bank is a fiduciary responsible to ensure that someone presenting a check on a customer's account is legitimate. In our opinion the concern of check cashing policies should be directed to the safeguarding of a customer's monies from fraud, not to institute lax policies that only encourage that fraud to occur more often.