



General Assembly

February Session, 2022

**Raised Bill No. 5216**

LCO No. 1810



Referred to Committee on BANKING

Introduced by:  
(BA)

**AN ACT CONCERNING LOW COST BANK ACCOUNTS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2022*) (a) For purposes of this  
2 section:

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

11 (2) "Consumer transaction account" means a demand deposit  
12 account, negotiable order of withdrawal account, share draft account or  
13 similar account used primarily for personal, family or household  
14 purposes.

15 (b) Except as otherwise provided in this section, each banking

16 institution shall make available to consumers a consumer transaction  
17 account, to be known as a "basic banking account". A basic banking  
18 account shall comply with certain guidelines, as the commissioner may  
19 prescribe by regulation adopted pursuant to subsection (k) of this  
20 section: (1) A maximum amount the banking institution may require as  
21 an initial deposit, if any; (2) a maximum amount the banking institution  
22 may require as a minimum balance to maintain such account, if any; and  
23 (3) a maximum amount a banking institution may charge per periodic  
24 cycle for the use of such account.

25 (c) A bank account shall (1) not be permitted to have any of the  
26 following fees: (A) Overdraft, (B) nonsufficient funds account  
27 activation, (C) closure, (D) dormancy, (E) inactivity or low balance fees,  
28 and (2) offer the following to the depositor at no additional charge: (A)  
29 Checks, (B) debit card, (C) ATM access, (D) deposits, (E) check cashing,  
30 and (F) electronic monthly statements.

31 (d) Except as provided in this section, a basic banking account may  
32 be offered subject to the same rules, conditions and terms normally  
33 applicable to other consumer transaction accounts offered by the  
34 banking institution, and, unless otherwise prohibited by this section or  
35 the regulations prescribed by the commissioner, may impose reasonable  
36 fees or charges, provided the fees or charges for specific services shall  
37 not exceed the fees or charges imposed by the banking institution for  
38 the same services in connection with other consumer transaction  
39 accounts offered by the banking institution.

40 (e) (1) A banking institution that posts in the public area of its offices  
41 notice of the availability of its consumer transaction accounts other than  
42 its basic banking accounts, shall also post equally conspicuous notice, in  
43 the same public areas and in the same manner, the availability of its  
44 basic banking accounts. A banking institution that makes available in  
45 the public area material describing the terms of its other consumer  
46 transaction accounts other than its basic banking accounts, shall also  
47 make comparable descriptive material available, in the same such public  
48 area and in the same manner, for its basic banking account.

49 (2) A banking institution that posts in the public area of its offices the  
50 notices described in subdivision (1) of this subsection, shall also post  
51 equally conspicuous notice, in the same public area and in the same  
52 manner, the Department of Banking's toll-free consumer's hotline  
53 telephone number, that can be used to file a complaint if a consumer is  
54 not satisfied with the services a banking institution provides.

55 (f) For purposes of this section, any banking institution that offers  
56 share draft accounts shall use the term "basic share draft account" in  
57 place of "basic banking account" in any written material describing such  
58 account.

59 (g) In lieu of the basic banking account required by this section, a  
60 banking institution may make available an alternative account or other  
61 banking services determined by the commissioner to be at least as  
62 advantageous to consumers as the basic banking account.  
63 Notwithstanding the provisions of subsections (b) to (f), inclusive, of  
64 this section, any banking institution that makes available to consumers  
65 a consumer transaction account that provides the core features set forth  
66 in the Bank On National Account Standards, as amended from time to  
67 time, shall be in compliance with this section.

68 (h) The commissioner may adopt regulations, in accordance with the  
69 provisions of chapter 54 of the general statutes, to carry out the purposes  
70 of this section.

|   |                 |             |
|---|-----------------|-------------|
| This act shall take effect as follows and shall amend the following sections: |                 |             |
| Section 1   | October 1, 2022 | New section |

**Statement of Purpose:**  
To require banking institutions to make available low-cost bank accounts.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*