



# House of Representatives

General Assembly

**File No. 180**

January Session, 2023

Substitute House Bill No. 5537

*House of Representatives, March 23, 2023*

The Committee on Banking reported through REP. DOUCETTE of the 13th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## **AN ACT CONCERNING DISCLOSURES OF FINANCIAL RECORDS TO THE COMMISSIONER OF SOCIAL SERVICES.**

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

1 Section 1. Section 36a-42 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2023*):

3 (a) A financial institution may not disclose to any person, except to  
4 the customer or the customer's duly authorized agent, any financial  
5 records relating to such customer unless the customer has authorized  
6 disclosure to such person or the financial records are disclosed in  
7 response to (1) a certificate signed by the Commissioner of  
8 Administrative Services or the Commissioner of Social Services  
9 pursuant to the provisions of section 17b-137, (2) a lawful subpoena,  
10 summons, warrant or court order as provided in section 36a-43, (3)  
11 interrogatories by a judgment creditor or a demand by a levying officer  
12 as provided in sections 52-351b and 52-356a, (4) a certificate issued by a  
13 medical provider or its attorney under subsection (b) of section 17b-124,  
14 provided nothing in this subsection shall require the provider or its

15 attorney to furnish to the financial institution any application for  
 16 medical assistance filed pursuant to an agreement with the IV-D agency  
 17 under subsection (c) of section 17b-137, (5) a certificate signed by the  
 18 Commissioner of Veterans Affairs pursuant to section 27-117, (6) the  
 19 consent of an elderly person or the representative of such elderly person  
 20 provided to a person, department, agency or commission pursuant to  
 21 section 17b-454, provided the financial institution shall have no  
 22 obligation to determine the capacity of such elderly person or the  
 23 representative of such elderly person to provide such consent, (7) a  
 24 request for information served upon a financial institution in  
 25 accordance with subsection (e) of section 12-162, or (8) a request for  
 26 information made by the Commissioner of Revenue Services pursuant  
 27 to section 12-39cc.

28 (b) A financial institution shall provide financial records relating to a  
 29 customer in response to a certificate signed by the Commissioner of  
 30 Social Services pursuant to subdivision (1) of subsection (a) of this  
 31 section not later than thirty calendar days after the financial institution  
 32 receives such certificate.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2023	36a-42

**Statement of Legislative Commissioners:**  
 Subsec. (b) was redrafted for conciseness.

**BA**      *Joint Favorable Subst. -LCO*

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*The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.*

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**OFA Fiscal Note**

**State Impact:** None

**Municipal Impact:** None

**Explanation**

The bill, which requires financial institutions to provide the Department of Social Services (DSS) with certain records within 30 days after receiving a signed certificate by the DSS Commissioner, has no fiscal impact.

**The Out Years**

**State Impact:** None

**Municipal Impact:** None

**OLR Bill Analysis****sHB 5537*****AN ACT CONCERNING DISCLOSURES OF FINANCIAL RECORDS TO THE COMMISSIONER OF SOCIAL SERVICES.*****SUMMARY**

State law generally requires anyone with information about the eligibility of someone for certain state aid, care, or child enforcement services (e.g., Medicaid and child support payment collections), to disclose it upon presentation of a signed certificate by the social services commissioner or her designee (CGS § 17b-137(a)). This requirement applies to financial institutions but does not establish a deadline by which they must respond. This bill requires them to provide customers' financial records to the commissioner within 30 calendar days after receiving the certificate.

Under existing law and the bill, a "financial institution" is a bank, a Connecticut credit union, a federal credit union, an out-of-state bank that maintains a branch in this state, and an out-of-state credit union that maintains an office in this state. Also, "financial records" are any originals or copies, whether physically or electronically retained, of:

1. a document granting signature authority over a deposit account or a share account with a financial institution;
2. a statement, ledger card, or other record on any deposit account or share account that shows account transactions;
3. any check, draft, or money order drawn on a financial institution or issued and payable by it; or
4. generally any contractual account fees, other than an institutional or periodic charge, that constitute a debit or credit to that

person's deposit account or share account if the item is not included as a check, draft, or money order above (CGS § 36a-41).

EFFECTIVE DATE: October 1, 2023

**COMMITTEE ACTION**

Banking Committee

Joint Favorable

Yea 12 Nay 0 (03/07/2023)