



# House of Representatives

General Assembly

**File No. 145**

February Session, 2024

Substitute House Bill No. 5146

*House of Representatives, March 27, 2024*

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.***

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 Section 36a-42 of the general statutes is repealed and the  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, 2024*):

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, or any  
9 person deputized by either commissioner, pursuant to the provisions of  
10 section 17b-137, (2) a lawful subpoena, summons, warrant or court order  
11 as provided in section 36a-43, as amended by this act, (3) interrogatories  
12 by a judgment creditor or a demand by a levying officer as provided in  
13 sections 52-351b and 52-356a, (4) a certificate issued by a medical  
14 provider or its attorney under subsection (b) of section 17b-124,  
15 provided nothing in this subsection shall require the provider or its

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

29 (b) A financial institution shall disclose financial records concerning  
30 a customer in response to a certificate signed by the Commissioner of  
31 Social Services, or any person deputized by said commissioner,  
32 pursuant to subdivision (1) of subsection (a) of this section not later than  
33 twenty calendar days after the financial institution receives such  
34 certificate.

35 Sec. 2. Subsection (c) of section 36a-43 of the general statutes is  
36 repealed and the following is substituted in lieu thereof (*Effective October*  
37 *1, 2024*):

38 (c) A financial institution shall disclose financial records pursuant to  
39 a certificate, signed by the Commissioner of Administrative Services or  
40 [the] Commissioner of Social Services, or any person deputized by either  
41 commissioner, in accordance with the provisions of section 36a-42, as  
42 amended by this act, or pursuant to an agreement with the IV-D agency  
43 under subsection (c) of section 17b-137.

44 Sec. 3. Section 36a-45 of the general statutes is repealed and the  
45 following is substituted in lieu thereof (*Effective October 1, 2024*):

46 (a) Any officer or employee of a financial institution who knowingly  
47 and wilfully furnishes financial records in violation of [sections] section

48 36a-41, [to] subsection (a) of section 36a-42, as amended by this act,  
49 section 36a-43, as amended by this act, or section 36a-44 [, inclusive,]  
50 shall be guilty of a class C misdemeanor.

51 (b) Any person who knowingly and wilfully induces or attempts to  
52 induce any officer or employee of a financial institution to disclose  
53 financial records in violation of [sections] section 36a-41, [to] subsection  
54 (a) of section 36a-42, as amended by this act, section 36a-43, as amended  
55 by this act, or section 36a-44 [, inclusive,] shall be guilty of a class C  
56 misdemeanor.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2024	36a-42
Sec. 2	October 1, 2024	36a-43(c)
Sec. 3	October 1, 2024	36a-45

**Statement of Legislative Commissioners:**

In Section 1(a), "Services, [or] the Commissioner of Social Services or any person deputized by either commissioner" was changed to "Services or [the] Commissioner of Social Services, or any person deputized by either commissioner," for clarity; in Section 1(b), "provide" was changed to "disclose" for internal consistency, and "Services or any person deputized by said commissioner pursuant" was changed to "Services, or any person deputized by said commissioner, pursuant" for clarity; and in Section 2, "Services, [or] the Commissioner of Social Services or any person deputized by either commissioner in" was changed to "Services or [the] Commissioner of Social Services, or any person deputized by either commissioner, in" for clarity.

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

---

*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.*

---

**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 20 days after receiving a signed certificate by the DSS Commissioner or anyone deputized by them, has no fiscal impact.

**The Out Years**

**State Impact:** None

**Municipal Impact:** None

**OLR Bill Analysis****HB 5146*****AN ACT CONCERNING DISCLOSURES OF FINANCIAL RECORDS.*****SUMMARY**

This bill requires financial institutions to provide customer financial records to the Department of Social Services (DSS) commissioner, or anyone deputized by her, within 20 calendar days after receiving a certificate signed by either. Current law does not impose a specific deadline, but instead generally requires anyone with information about someone's eligibility for certain state aid, care, or child enforcement services (e.g., Medicaid and child support payment collections) to disclose it when presented with a signed certificate by, among others, the social services commissioner or anyone deputized by her (CGS § 17b-137(a)).

Beyond the above deadline addition, the bill also changes two banking laws to conform with this social services law. Under these laws currently, financial institutions (1) are generally prohibited from disclosing a customer's financial records to anyone other than the customer or his or her agent unless, among other exceptions, the institution does so in response to a signed certificate by the administrative services or social services commissioners, and (2) must disclose financial records according to a signed certificate from either. The bill expressly adds references to people deputized by either commissioner as having authority to sign the certificates under these laws.

Under existing law and the bill, it is a class C misdemeanor (punishable by up to three months in prison, up to a \$500 fine, or both) for (1) any financial institution officer or employee to knowingly and willfully furnish financial records in violation of the above banking laws

and (2) anyone to knowingly and willfully induce or attempt to induce any financial institution officer or employee to disclose financial records in violation of the same. However, these penalty laws do not apply to the 20-day deadline established under the bill.

EFFECTIVE DATE: October 1, 2024

**APPLICABILITY**

The bill applies to any “financial institution,” which is a bank, Connecticut credit union, federal credit union, out-of-state bank that maintains a branch in this state, or out-of-state credit union that maintains an office in this state. By law, “financial records” are any physical or electronic originals or copies 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 with a financial institution that shows each transaction in or with respect to that account;
3. any check, draft, or money order drawn on a financial institution or issued and payable by it; or
4. any item, other than an institutional or periodic charge, made pursuant to any agreement by a financial institution and a customer that constitutes a debit or credit to that person’s deposit account or share account with the institution if the item is not included as a check, draft, or money order above (CGS § 36a-41).

**COMMITTEE ACTION**

Banking Committee

Joint Favorable

Yea 11 Nay 1 (03/12/2024)