



General Assembly

January Session, 2025

Proposed Bill No. 1093

LCO No. 2364



Referred to Committee on BANKING

Introduced by:
SEN. BERTHEL, 32nd Dist.

***AN ACT PROHIBITING MERCHANT CASH ADVANCE BUSINESSES
FROM INCLUDING CERTAIN PROVISIONS REGARDING EX PARTE
PREJUDGMENT REMEDIES IN COMMERCIAL FINANCING
CONTRACTS.***

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

- 1 That section 36a-868 of the general statutes be amended to specify
- 2 that no merchant cash advance business shall include in a commercial
- 3 financing contract with a commercial financing recipient any provision
- 4 allowing such business to obtain an ex parte prejudgment remedy
- 5 against such recipient on the basis of a breach of such contract.

Statement of Purpose:

To limit the use of ex parte prejudgment remedies by merchant cash advance businesses.