



General Assembly

February Session, 2022

***Raised Bill No. 5217***

LCO No. 1080



Referred to Committee on BANKING

Introduced by:  
(BA)

***AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS'  
RECOMMENDATIONS FOR TECHNICAL REVISIONS TO THE  
BANKING STATUTES.***

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

1 Section 1. Subsection (a) of section 8-265hh of the 2022 supplement to  
2 the general statutes is repealed and the following is substituted in lieu  
3 thereof (*Effective October 1, 2022*):

4 (a) Upon approval of emergency mortgage or lien assistance  
5 payments, the authority shall enter into an agreement with the  
6 homeowner for repayment of all such assistance with interest as  
7 provided in this section. The agreement shall provide for monthly  
8 payments by the homeowner after emergency mortgage or lien  
9 assistance payments have ended and shall be subject to the following  
10 provisions:

11 (1) If the homeowner's total housing expense, including projected  
12 repayments for assistance under this section, is greater than thirty-five  
13 per cent of the homeowner's aggregate family income, repayment of the  
14 emergency mortgage or lien assistance payments shall be deferred until

15 such total housing expense, including projected repayments for  
16 assistance under this section, is less than or equal to thirty-five per cent  
17 of such aggregate family income;

18 (2) If repayment of emergency mortgage or lien assistance payments  
19 is not made by the date the mortgage is paid in full, the homeowner  
20 shall make monthly payments to the authority in an amount not less  
21 than the monthly mortgage or lien payment until such assistance is  
22 repaid;

23 (3) Interest shall accrue on all emergency mortgage and lien  
24 assistance payments made by the authority at a rate based upon the cost  
25 of funds to the state periodically determined by the State Treasurer in  
26 consultation with the authority. Interest shall start to accrue whenever  
27 the homeowner is required to commence repayment under this section.

28 Sec. 2. Subsection (b) of section 8-286 of the 2022 supplement to the  
29 general statutes is repealed and the following is substituted in lieu  
30 thereof (*Effective October 1, 2022*):

31 (b) Not later than October 1, 2021, the authority shall establish  
32 guidelines for issuing loans under the program. Such guidelines shall  
33 permit the authority to (1) provide loans to borrowers with a debt-to-  
34 income ratio equal to the highest debt-to-income ratio permitted by the  
35 Federal Housing Administration, the Federal National Mortgage  
36 Association and the Federal Home Loan Mortgage Corporation for  
37 residential mortgage loans, as applicable, subject to any other  
38 limitations of this chapter, and (2) consider (A) the application of a  
39 prospective borrower, regardless of the prospective borrower's credit  
40 score, and (B) nontraditional credit references submitted by the  
41 prospective borrower including, but not limited to, proof of  
42 employment or proof of rental and utility payments.

43 Sec. 3. Subsection (f) of section 12-195h of the 2022 supplement to the  
44 general statutes is repealed and the following is substituted in lieu  
45 thereof (*Effective October 1, 2022*):

46 (f) When providing the written notice required under subsection (e)  
47 of this section, the assignee may rely on the last recorded security  
48 interest of record in identifying the name and mailing address of the  
49 holder of such interest, unless the holder of such interest is the plaintiff  
50 in an action pending in Superior Court to enforce such interest, in which  
51 [the] case the assignee shall provide the written notice to the attorney  
52 appearing on behalf of the plaintiff.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2022</i>	8-265hh(a)
Sec. 2	<i>October 1, 2022</i>	8-286(b)
Sec. 3	<i>October 1, 2022</i>	12-195h(f)

**Statement of Purpose:**

To make technical revisions to the banking statutes.

*[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.]*