



General Assembly

January Session, 2023

Committee Bill No. 5207

LCO No. 5106



Referred to Committee on BANKING

Introduced by:

(BA)

***AN ACT CONCERNING THE DELIVERY OF MORTGAGE
MODIFICATIONS UNDER THE EZEQUIEL SANTIAGO FORECLOSURE
MEDIATION PROGRAM.***

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

1 Section 1. Section 49-31o of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2023*):

3 (a) Nothing in sections 49-31k to 49-31n, inclusive, shall require a
4 mortgagee to modify a mortgage or change the terms of payment of a
5 mortgage without its consent.

6 (b) (1) A mortgagee that agrees to modify a mortgage pursuant to the
7 Ezequiel Santiago Foreclosure Mediation Program, established
8 pursuant to section 49-31m, shall deliver such modification to the
9 mortgagor for execution at least fifteen business days prior to the first
10 payment due date under such modification.

11 (2) Any failure by a mortgagee to timely deliver a modification
12 pursuant to subdivision (1) of this subsection shall constitute grounds
13 for a court to, in a pending foreclosure action, after notice and a hearing,
14 issue an order (A) requiring the mortgagee to reissue such modification

15 in accordance with the requirements of subdivision (1) of this
16 subsection, and (B) for such other relief as may be appropriate.

17 (3) Any failure by a mortgagee to reissue or otherwise correct a
18 modification in accordance with the requirements of subdivision (1) or
19 (2) of this subsection may constitute (A) a defense to a foreclosure action,
20 and (B) an unfair trade practice under chapter 735a.

21 [(b)] (c) Information submitted by the mortgagor to a mediator, either
22 orally or in writing, including financial documents, shall not be subject
23 to disclosure by the Judicial Branch.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2023	49-31o

Statement of Purpose:

To: (1) Require a mortgagee that agrees to modify a mortgage pursuant to the Ezequiel Santiago Foreclosure Mediation Program to deliver such modification to the mortgagor at least fifteen business days prior to the first payment due date under such modification; (2) provide that the failure to timely deliver a modification shall constitute grounds for a court to order certain relief; and (3) provide that any failure to reissue or otherwise correct a modification may constitute (A) a defense to a foreclosure action, and (B) an unfair trade practice.

[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.]

Co-Sponsors: REP. LANOUE, 45th Dist.; REP. NOLAN, 39th Dist.
REP. DELNICKI, 14th Dist.

H.B. 5207