53 Congress Drive
Amston, CT 06231

HB 5912, "AN ACT CONCERNING ATTORNEYS' FEES AGREEMENTS BETWEEN MORTGAGE CREDITORS AND CONSUMER DEBTORS."

Testimony in Support

Good Morning, Chairmen and Committee members of the Banks Committee. I come before you today to provide my support for HB 5912, "AAC Attorney's Fees Agreements between Mortgage Creditors and Consumer Debtors."

The proposal before you today is a consumer-friendly initiative that would promote greater faith in the mortgage lending business. A creditor has every right to an attorney who will represent the creditor's interest at a closing. Similarly, a consumer debtor has an identical right. Sometimes, however, those rights collide when a creditor is determined to use their own attorney but also seeks to pass the costs of that attorney onto the debtor.

In such circumstances, the consumer must decide whether to increase the costs of the closing by paying for two attorneys. A consumer should not be faced with that choice. This legislation would prohibit a lender from compelling a borrower to compensate the lender's attorney, unless the borrower is actually represented by the lender's attorney. It is the consumer's choice.

This proposed legislation eliminates that difficult choice while preserving opportunities for dual representation when it is so desired. This is a pro-consumer bill for which I urge your support. Thank you.

Attorney Wendell G. Davis