
OLR Bill Analysis

sSB 407

AN ACT CONCERNING THE ASSIGNMENT OF MORTGAGE DEBTS.

SUMMARY:

This bill requires a mortgage debt assignment to be recorded in the records of the town where the property that is the subject of the mortgage is located and penalizes those who fail to do so in a timely fashion.

Under the bill, a person (e.g., lending institution) that presents an assignment for recording more than 60 days after it is made must pay the town clerk a \$200 surcharge for each week or part of a week that it is late, up to a maximum of \$5,000.

BACKGROUND

Related law

PA 11-201 eliminated the option for anyone acquiring title to a property through a foreclosure to register with Mortgage Electronic Registration Systems (MERS). Registration of such property must be with the municipality, not MERS, and mailed or delivered to the town clerk.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable

Yea 17 Nay 4 (03/23/2012)