

ConnPIRG

**Standing Up
To Powerful Interests**

Testimony of Abraham Scarr, Director

Connecticut Public Interest Research Group (ConnPIRG)

in support of

Governor's House Bill 6355:

An Act Concerning the Homeowner Protection Rights

Chairperson Tong, Chairperson Leone and Members of the Committee: My name is Abe Scarr and I am the Director of the Connecticut Public Interest Research Group (ConnPIRG). Thank you for the opportunity to testify today in support of House Bill No. 6355: An Act Concerning Homeowner Protection Rights.

In the wake of the foreclosure crisis, Connecticut has led the nation with its foreclosure prevention mediation program, launched in 2008 and updated in 2011. The further reforms included in H.B. 6355 strengthen the program, strengthen homeowner protections, and should be passed. Homeowners facing foreclosure deserve a fair opportunity to refinance or otherwise come to a mediated agreement with their lender in a timely manner. They should also not have to worry about being foreclosed upon while participating in the mediation process.

H.B. 6355 provides incentives to reach agreements in a timely fashion by calling for a court hearing if no resolution is met after a third mediation. The bill also requires that all parties negotiate in good faith and with full authority to approve settlements. These are common sense reforms that will improve the mediation program, prevent unnecessary foreclosures, and further position Connecticut as a national leader in foreclosure prevention.

While we believe these are the most important reforms of the bill, we also support the provisions strengthening enforcement of the servicing standards of the February 2012 Attorney General Settlement, as well as requiring banks to pay municipal recording fees for mortgage transfers.

Again, thank you for the opportunity to testify in support of H.B. 6355, An Act Concerning Homeowner Protection Rights.

abe@connpirg.org

860-233-7554