



**STATE OF CONNECTICUT
JUDICIAL BRANCH**

EXTERNAL AFFAIRS DIVISION

231 Capitol Avenue
Hartford, Connecticut 06106
(860) 757-2270 Fax (860) 757-2215

**Testimony of Deborah J. Fuller
Housing Committee Public Hearing
March 11, 2014**

H.B. 5483, An Act Extending the Foreclosure Mediation Program

Senator Bartolomeo, Representative Butler, Senator McKinney, Representative Miller and members of the Housing Committee, thank you for the opportunity to submit written testimony, on behalf of the Judicial Branch, in support of **H.B. 5483, AA *Extending the Foreclosure Mediation Program***.

As you know, the Judicial Branch's Foreclosure Mediation Program was established by the General Assembly in July 2008 in response to the sharp increase in the number of foreclosures being filed due to the nationwide financial crisis. The Program has been and continues to be recognized as a model for developing and operating statewide foreclosure mediation programs across the nation based on its structure, operational history, and positive results. By any measure, the program has been a great success. From the inception of the program through December 31, 2013, **17,748** cases completed mediation; of those, **84%** were settled, and in **69%**, the homeowners remained in their home. For the period January 1, 2013 through December 31, 2013, **2,591** cases completed mediation; of those, **91%** were settled, and in **75%**, the homeowners remained in their home.

Under current law, the program is scheduled to sunset this fiscal year. Specifically, the statute calls for the program to end once mediation has been completed for all cases with a return date on or before June 30, 2014. It is clear that the need for the program still exists, and in fact the biennial budget adopted by the Legislature and signed by the Governor in 2013 provided full funding for the program for FY 15 on the assumption that the program would still be operating.

In conclusion, I urge the Committee to approve this proposal. Thank you for your consideration.