



General Assembly

Substitute Bill No. 5353

February Session, 2014



AN ACT CONCERNING MORTGAGE SERVICERS, CONNECTICUT FINANCIAL INSTITUTIONS, CONSUMER CREDIT LICENSES, THE FORECLOSURE MEDIATION PROGRAM AND MINOR REVISIONS TO THE BANKING STATUTES.

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

1 Section 1. Section 36a-715 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2014*):

3 As used in sections 36a-715 to 36a-718, inclusive, as amended by this
4 act, and sections 5 to 17, inclusive, of this act, unless the context
5 otherwise requires:

6 [(1) "First mortgage loan" has the same meaning as provided in
7 section 36a-485.]

8 (1) "Branch office" means a location other than the main office at
9 which a licensee or any person on behalf of a licensee acts as a
10 mortgage servicer.

11 (2) The terms "control person", "individual", "main office",
12 "mortgage broker", "mortgage correspondent lender", "mortgage
13 lender", "office" and "person" have the same meanings as provided in
14 section 36a-485, as amended by this act.

15 [(2) "Mortgage servicing company"] (3) "Mortgage servicer" (A)

16 means any person, wherever located, who, for such person or on
17 behalf of the holder of a [first] residential mortgage loan, receives
18 payments of principal and interest in connection with a [first]
19 residential mortgage loan, records such payments on such person's
20 books and records and performs such other administrative functions
21 as may be necessary to properly carry out the mortgage holder's
22 obligations under the mortgage agreement including, when applicable,
23 the receipt of funds from the mortgagor to be held in escrow for
24 payment of real estate taxes and insurance premiums and the
25 distribution of such funds to the taxing authority and insurance
26 company, and (B) includes a person who makes payments to
27 borrowers pursuant to the terms of a home equity conversion
28 mortgage or reverse mortgage.

29 (4) "Mortgagee" means the grantee of a residential mortgage,
30 provided if the residential mortgage has been assigned of record,
31 "mortgagee" means the last person to whom the residential mortgage
32 has been assigned of record.

33 [(3)] (5) "Mortgagor" means any person obligated to repay a [first]
34 residential mortgage loan.

35 (6) "Residential mortgage loan" means any loan primarily for
36 personal, family or household use that is secured by a mortgage, deed
37 of trust or other equivalent consensual security interest on a dwelling,
38 as defined in Section 103 of the Consumer Credit Protection Act, 15
39 USC 1602, located in this state, or real property located in this state
40 upon which is constructed or intended to be constructed a dwelling.

41 (7) "System" means the Nationwide Mortgage Licensing System and
42 Registry, NMLS, NMLSR or such other name or acronym as may be
43 assigned to the multistate system developed by the conference of State
44 Bank Supervisors and the American Association of Residential
45 Mortgage Regulators, owned and operated by the State Regulatory
46 Registry, LLC, or any successor or affiliated entity, for the licensing
47 and registration of persons in the mortgage and other financial services

48 industries.

49 Sec. 2. Section 36a-716 of the general statutes is repealed and the
50 following is substituted in lieu thereof (*Effective October 1, 2014*):

51 (a) Any mortgage [servicing company which] servicer who receives
52 funds from a mortgagor to be held in escrow for payment of taxes and
53 insurance premiums shall pay the taxes and insurance premiums of
54 the mortgagor to the appropriate taxing authority and insurance
55 company in the amount required and at the time such taxes and
56 insurance premiums are due provided (1) the mortgage [servicing
57 company] servicer has been provided with the tax or insurance bills at
58 least fifteen days prior to the date such taxes and insurance premiums
59 are due, and (2) the mortgagor has paid to the mortgage [servicing
60 company] servicer the amounts required to be paid into the escrow
61 account, as determined by the mortgage [servicing company] servicer,
62 for all amounts scheduled to be paid to the mortgage [servicing
63 company] servicer prior to the date such taxes and insurance
64 premiums are due.

65 (b) Each mortgage [servicing company] servicer shall, through its
66 own effort and expense, determine and notify the mortgagor of the
67 amounts necessary to be paid into the escrow account to assure that
68 sufficient funds will be available for the payment of such taxes and
69 insurance premiums as of the date such payment is due.

70 (c) If the amount held in the escrow account as of the date such
71 taxes and insurance premiums are due is insufficient to pay the taxes
72 and insurance premiums despite compliance by the mortgagor with
73 subdivision (2) of subsection (a) of this section, the mortgage [servicing
74 company] servicer shall pay such taxes and insurance premiums from
75 its own funds. The mortgage [servicing company] servicer shall then
76 give the mortgagor the option of paying the shortage over a period of
77 not less than one year. The mortgage [servicing company] servicer
78 shall not charge or collect interest on such shortage during the one-
79 year period.

80 Sec. 3. Section 36a-717 of the general statutes is repealed and the
81 following is substituted in lieu thereof (*Effective October 1, 2014*):

82 Any mortgage [servicing company which] servicer who violates any
83 provision of section 36a-716, as amended by this act, shall be liable to
84 the mortgagor for: (1) Any penalties, interest or other charges levied by
85 the taxing authority or insurance company as a result of such violation;
86 (2) any actual damages suffered by the mortgagor as a result of such
87 violation, including, but not limited to, any amount which would have
88 been paid by an insurer for a casualty or liability claim had the
89 insurance policy not been cancelled for nonpayment by the mortgage
90 [servicing company] servicer; and (3) in the case of any successful
91 action to enforce the foregoing liability, the costs of the action together
92 with reasonable attorney's fees as determined by the court.

93 Sec. 4. Section 36a-718 of the general statutes is repealed and the
94 following is substituted in lieu thereof (*Effective October 1, 2014*):

95 [If the commissioner determines that any mortgage servicing
96 company has violated any provision of section 36a-716, the
97 commissioner may take action against such mortgage servicing
98 company in accordance with sections 36a-50 and 36a-52. The
99 commissioner may also order the mortgage servicing company to
100 make restitution to the mortgagor upon fourteen days' notice in
101 writing. Such notice shall be sent by certified mail, return receipt
102 requested, or by any express delivery carrier that provides a dated
103 delivery receipt, to the principal place of business of the mortgage
104 servicing company and shall state the grounds for the contemplated
105 action. Within fourteen days of receipt of the notice, the mortgage
106 servicing company may file a written request for a hearing. If a hearing
107 is requested, the commissioner shall not issue an order to make
108 restitution until after such hearing is held. Such hearing shall be
109 conducted in accordance with the provisions of chapter 54.]

110 (a) On and after January 1, 2015, no person shall act as a mortgage
111 servicer, directly or indirectly, without first obtaining a license under

112 section 5 of this act from the commissioner for its main office and each
113 branch office where such business is conducted, unless such person is
114 exempt from licensure pursuant to subsection (b) of this section.

115 (b) The following persons are exempt from mortgage servicer
116 licensing requirements: (1) Any bank, out-of-state bank, Connecticut
117 credit union, federal credit union or out-of-state credit union, provided
118 such bank or credit union is federally insured, any wholly-owned
119 subsidiary of a federal bank or federally-chartered out-of-state bank,
120 any wholly owned subsidiary of a Connecticut bank or Connecticut
121 credit union or any operating subsidiary of a federal bank or federally-
122 chartered out-of-state bank or any wholly-owned subsidiary of a
123 Connecticut bank or Connecticut credit union where each owner of
124 such operating or wholly-owned subsidiary is wholly-owned by the
125 same bank; and (2) any person licensed as a mortgage lender in this
126 state while acting as a mortgage servicer from a location licensed as a
127 main office or branch office under sections 36a-485 to 36a-498f,
128 inclusive, as amended by this act, 36a-534a and 36a-534b, as amended
129 by this act, provided (A) such person meets the supplemental
130 mortgage servicer surety bond, fidelity bond and errors and omissions
131 coverage requirements under section 8 of this act, and (B) during any
132 period that the license of the mortgage lender in this state has been
133 suspended, such exemption shall not be effective.

134 (c) The provisions of sections 10 to 13, inclusive, of this act shall
135 apply to any person, including a person exempt from licensure
136 pursuant to subsection (b) of this section, who acts as a mortgage
137 servicer in this state on or after January 1, 2015.

138 Sec. 5. (NEW) (*Effective October 1, 2014*) (a) The Banking
139 Commissioner shall issue a mortgage servicer license to an applicant
140 for such license if the commissioner finds that: (1) The applicant has
141 identified a qualified individual for its main office and a branch
142 manager for each branch office where such business is conducted; (2)
143 notwithstanding the provisions of section 46a-80 of the general
144 statutes, the applicant, the control persons of the applicant, the

145 qualified individual and any branch manager with supervisory
146 authority at the office for which the license is sought have not been
147 convicted of or pled guilty or nolo contendere to, in a domestic, foreign
148 or military court, a felony during the seven-year period preceding the
149 date of the application for licensing or a felony involving an act of
150 fraud or dishonesty, a breach of trust or money laundering at any time
151 preceding the date of application, provided any pardon or
152 expungement of a conviction shall not be a conviction for purposes of
153 this subdivision; (3) the applicant demonstrates that the financial
154 responsibility, character and general fitness of the applicant, the
155 control persons of the applicant, the qualified individual and any
156 branch manager having supervisory authority over the office for which
157 the license is sought command the confidence of the community and
158 warrant a determination that the applicant will operate honestly, fairly
159 and efficiently within the purposes of sections 36a-715 to 36a-718,
160 inclusive, of the general statutes, as amended by this act, and sections 5
161 to 17, inclusive, of this act; (4) the applicant has met the surety bond,
162 fidelity bond and errors and omissions coverage requirement under
163 section 8 of this act; (5) the applicant has not made a material
164 misstatement in the application; and (6) the applicant has met any
165 other similar requirements as determined by the commissioner. If the
166 commissioner fails to make such findings, the commissioner shall not
167 issue a license, and shall notify the applicant of the denial and the
168 reasons for such denial. For purposes of this subsection, the level of
169 offense of the crime and the status of any conviction, pardon or
170 expungement shall be determined by reference to the law of the
171 jurisdiction where the case was prosecuted. In the event such
172 jurisdiction does not use the term "felony", "pardon" or
173 "expungement", such terms shall include legally equivalent events.

174 (b) An application for a license as a mortgage servicer or renewal of
175 such license shall be filed, in a form prescribed by the commissioner,
176 with the system and accompanied by the fees required by section 7 of
177 this act. Each such form shall contain content as set forth by instruction
178 or procedure of the commissioner and may be changed or updated as

179 necessary by the commissioner in order to carry out the purpose of
180 sections 36a-715 to 36a-718, inclusive, of the general statutes, as
181 amended by this act, and sections 6 to 17, inclusive, of this act. The
182 applicant shall, at a minimum, furnish to the system information
183 concerning the identity of the applicant, any control person of the
184 applicant, the qualified individual and any branch manager, including
185 personal history and experience in a form prescribed by the system
186 and information related to any administrative, civil or criminal
187 findings by any governmental jurisdiction. The applicant shall notify
188 the commissioner on the system of any change to the information
189 submitted in connection with its most recent application for licensure
190 not later than fifteen days after the applicant has reason to know of
191 such change. For the purpose of this subsection, evidence of experience
192 of the qualified individual and any branch manager shall include: (1) A
193 statement specifying the duties and responsibilities of such person's
194 employment, the term of employment, including month and year, and
195 the name, address and telephone number of a supervisor, employer or,
196 if self-employed, a business reference; and (2) if required by the
197 commissioner, copies of W-2 forms, 1099 tax forms or, if self-
198 employed, 1120 corporate tax returns, signed letters from the employer
199 on the employer's letterhead verifying such person's duties and
200 responsibilities and term of employment including month and year,
201 and, if such person is unable to provide such letters, other proof
202 satisfactory to the commissioner that such person meets the experience
203 requirement. The commissioner may conduct a criminal history
204 records check of the applicant, any control person of the applicant, the
205 qualified individual and any branch manager with supervisory
206 authority at the office for which the license is sought and require the
207 applicant to submit the fingerprints of such persons as part of the
208 application.

209 (c) (1) The minimum standards for license renewal for a mortgage
210 servicer shall include the following: (A) The applicant continues to
211 meet the minimum standards under subsection (a) of this section; and
212 (B) the mortgage servicer has paid all required fees for renewal of the

213 license.

214 (2) The license of a mortgage servicer failing to satisfy the minimum
215 standards for license renewal shall expire. The commissioner may
216 adopt procedures for the reinstatement of expired licenses consistent
217 with the standards established by the system. The commissioner may
218 automatically suspend a mortgage servicer license if the licensee
219 receives a deficiency on the system indicating that the payment
220 required by section 7 of this act was Returned-ACH or returned
221 pursuant to such other term as may be utilized by the system to
222 indicate that the payment was not accepted. After a license has been
223 automatically suspended pursuant to this section, the commissioner
224 shall give such licensee notice of the automatic suspension, pending
225 proceedings for revocation or refusal to renew pursuant to section 15
226 of this act and an opportunity for a hearing on such action in
227 accordance with section 36a-51 of the general statutes, as amended by
228 this act, and require such licensee to take or refrain from taking such
229 action that, in the opinion of the commissioner, will effectuate the
230 purposes of this section.

231 (d) (1) Withdrawal of an application for a license filed under this
232 section shall become effective upon receipt by the commissioner of a
233 notice of intent to withdraw such application. The commissioner may
234 deny a license up to one year after the effective date of withdrawal.

235 (2) If the license of a mortgage servicer expires due to the licensee's
236 failure to renew, the commissioner may institute a revocation or
237 suspension proceeding or issue an order suspending or revoking such
238 license pursuant to subsection (a) of section 15 of this act not later than
239 one year after the date of such expiration.

240 (e) The commissioner may deem an application for a license under
241 this section abandoned if the applicant fails to respond to any request
242 for information required under sections 36a-715 to 36a-718, inclusive,
243 of the general statutes, as amended by this act, and sections 5 to 17,
244 inclusive, of this act or the regulations adopted pursuant to said

245 sections. The commissioner shall notify the applicant on the system
246 that if such information is not submitted not later than sixty days from
247 the date of such request, the application shall be deemed abandoned.
248 An application filing fee paid prior to the date an application is
249 deemed abandoned pursuant to this subsection shall not be refunded.
250 Abandonment of an application pursuant to this subsection shall not
251 preclude the applicant from submitting a new application for a license.

252 (f) At least annually, as part of its application, a mortgage servicer
253 shall file with the commissioner (1) a current schedule of the ranges of
254 costs and fees it charges mortgagors for its servicing-related activities;
255 and (2) a report in a form and format acceptable to the commissioner
256 detailing the mortgage servicer's activities in the state, including (A)
257 the number of residential mortgage loans the mortgage servicer is
258 servicing, (B) the type and characteristics of the residential mortgage
259 loans in this state, (C) the number of serviced residential mortgage
260 loans in default, along with a breakdown of thirty-day, sixty-day and
261 ninety-day delinquencies, (D) information on loss mitigation activities,
262 including details on workout arrangements undertaken, and (E)
263 information on foreclosures commenced in this state.

264 Sec. 6. (NEW) (*Effective October 1, 2014*) (a) A mortgage servicer
265 license shall not be transferable or assignable. No licensee may use any
266 name other than its legal name or a fictitious name approved by the
267 Banking Commissioner, provided such licensee may not use its legal
268 name if the commissioner disapproves use of such name. Any licensee
269 who intends to permanently cease acting as a mortgage servicer at any
270 time during a license period for any cause, including, but not limited
271 to, bankruptcy or voluntary dissolution, shall file a request to
272 surrender the license for each office at which the licensee intends to
273 cease to do business, on the system, not later than fifteen days after the
274 date of such cessation, provided this requirement shall not apply when
275 a license has been suspended pursuant to section 36a-51 of the general
276 statutes, as amended by this act. No surrender shall be effective until
277 accepted by the commissioner.

278 (b) A mortgage servicer licensee may change the name of the
279 licensee or address of any office specified on the most recent filing
280 with the system if (1) at least thirty calendar days prior to such change,
281 the licensee files such change with the system and, in the case of a
282 main office or branch office, provides, directly to the commissioner, a
283 bond rider or endorsement, or addendum, as applicable, to any bond
284 or evidence of errors and omissions coverage on file with the
285 commissioner that reflects the new name or address of the main office
286 or branch office; and (2) the commissioner does not disapprove such
287 change, in writing, or request further information within such thirty-
288 day period.

289 (c) The mortgage servicer licensee shall file with the system or, if the
290 information cannot be filed on the system, directly notify the
291 commissioner, in writing, not later than five business days after the
292 licensee has reason to know of the occurrence of any of the following
293 events:

294 (1) Filing for bankruptcy, or the consummation of a corporate
295 restructuring, of the licensee;

296 (2) Filing of a criminal indictment against the licensee or receiving
297 notification of the filing of any criminal felony indictment or felony
298 conviction of any of the licensee's officers, directors, members, partners
299 or shareholders owning ten per cent or more of the outstanding stock;

300 (3) Receiving notification of the institution of license denial, cease
301 and desist, suspension or revocation procedures, or other formal or
302 informal regulatory action by any governmental agency against the
303 licensee and the reasons for such action;

304 (4) Receiving notification of the initiation of any action by the
305 Attorney General or the attorney general of any other state and the
306 reasons for such action;

307 (5) Suspension or termination of the licensee's status as an approved
308 seller or servicer by the Federal National Mortgage Association,

309 Federal Home Loan Mortgage Corporation or Government National
310 Mortgage Association;

311 (6) Receiving notification that certain servicing rights of the licensee
312 will be rescinded or cancelled, and the reasons provided therefor;

313 (7) Receiving notification of filing for bankruptcy of any of the
314 licensee's officers, directors, members, partners or shareholders
315 owning ten per cent or more of the outstanding stock of the licensee; or

316 (8) Receiving notification of the initiation of a class action lawsuit on
317 behalf of consumers against the licensee that is related to the operation
318 of the licensed business.

319 Sec. 7. (NEW) (*Effective October 1, 2014*) (a) Each mortgage servicer
320 license shall expire at the close of business on December thirty-first of
321 the year in which it is approved, unless such license is renewed, and
322 provided any such license that is approved on or after November first
323 shall expire at the close of business on December thirty-first of the year
324 following the year in which it is approved. An application for renewal
325 of a license shall be filed between November first and December thirty-
326 first of the year in which the license expires. Each applicant for an
327 initial license or renewal of a license as a mortgage servicer shall pay to
328 the system any required fees or charges and a license fee of one
329 thousand dollars.

330 (b) All fees paid pursuant to this section, including fees paid in
331 connection with an application that is denied or withdrawn prior to
332 the issuance of the license, shall be nonrefundable. No fee paid
333 pursuant to this section shall be prorated if the license is surrendered,
334 revoked or suspended prior to the expiration of the period for which it
335 was approved.

336 Sec. 8. (NEW) (*Effective October 1, 2014*) (a) Each mortgage servicer
337 applicant or licensee and any person exempt from mortgage servicer
338 licensure pursuant to subdivision (2) of subsection (b) of section 36a-
339 718 of the general statutes, as amended by this act, shall file with the

340 Banking Commissioner (1) a surety bond, written by a surety
341 authorized to write such bonds in this state, covering its main office
342 and any branch office from which it acts as mortgage servicer, in a
343 penal sum of one hundred thousand dollars per office location in
344 accordance with subsection (b) of this section, (2) a fidelity bond,
345 written by a surety authorized to write such bonds in this state, in
346 accordance with the requirements of subsection (c) of this section, and
347 (3) evidence of errors and omissions coverage, written by a surety
348 authorized to write such coverage in this state, in accordance with the
349 requirements of subsection (c) of this section. No mortgage servicer
350 licensee and no person otherwise exempt from mortgage servicer
351 licensure pursuant to subdivision (2) of subsection (b) of section 36a-
352 718 of the general statutes, as amended by this act, shall act as a
353 mortgage servicer in this state without maintaining the surety bond,
354 fidelity bond and errors and omissions coverage required by this
355 section.

356 (b) The surety bond required by subsection (a) of this section shall
357 be (1) in a form approved by the Attorney General; and (2) conditioned
358 upon the mortgage servicer licensee or person exempt from mortgage
359 servicer licensure pursuant to subdivision (2) of subsection (b) of
360 section 36a-718 of the general statutes, as amended by this act,
361 faithfully performing any and all written agreements or commitments
362 with or for the benefit of mortgagors and mortgagees, truly and
363 faithfully accounting for all funds received from a mortgagor or
364 mortgagee in such person's capacity as a mortgage servicer, and
365 conducting such mortgage business consistent with the provisions of
366 sections 36a-715 to 36a-718, inclusive, of the general statutes, as
367 amended by this act, and sections 5 to 17, inclusive, of this act. Any
368 mortgagor that may be damaged by the failure of a mortgage servicer
369 licensee or person exempt from mortgage servicer licensure pursuant
370 to subdivision (2) of subsection (b) of section 36a-718 of the general
371 statutes, as amended by this act, to perform any written agreements or
372 commitments, or by the wrongful conversion of funds paid by a
373 mortgagor to such licensee or person, may proceed on such bond

374 against the principal or surety thereon, or both, to recover damages.
375 The commissioner may proceed on such bond against the principal or
376 surety on such bond, or both, to collect any civil penalty imposed
377 pursuant to subsection (a) of section 36a-50 of the general statutes, any
378 restitution imposed pursuant to subsection (c) of section 36a-50 of the
379 general statutes and any unpaid costs of examination of a licensee as
380 determined pursuant to section 36a-65 of the general statutes, as
381 amended by this act. The proceeds of the bond, even if commingled
382 with other assets of the principal, shall be deemed by operation of law
383 to be held in trust for the benefit of such claimants against the
384 principal in the event of bankruptcy of the principal and shall be
385 immune from attachment by creditors and judgment creditors. The
386 surety bond shall run concurrently with the period of the license for
387 the main office of the mortgage servicer or mortgage lender and the
388 aggregate liability under the bond shall not exceed the penal sum of
389 the bond. The principal shall notify the commissioner of the
390 commencement of an action on the bond. When an action is
391 commenced on a principal's bond, the commissioner may require the
392 filing of a new bond and immediately on recovery on any action on the
393 bond, the principal shall file a new bond.

394 (c) The fidelity bond and errors and omissions coverage required by
395 subsection (a) of this section shall name the commissioner as an
396 additional loss payee on drafts the surety issues to pay for covered
397 losses directly or indirectly incurred by mortgagors of residential
398 mortgage loans serviced by the mortgage servicer. The fidelity bond
399 shall cover losses arising from dishonest and fraudulent acts,
400 embezzlement, misplacement, forgery and similar events committed
401 by employees of the mortgage servicer. The errors and omissions
402 coverage shall cover losses arising from negligence, errors and
403 omissions by the mortgage servicer with respect to the payment of real
404 estate taxes and special assessments, hazard and flood insurance or the
405 maintenance of mortgage and guaranty insurance. The fidelity bond
406 and errors and omissions coverage shall each be in the following
407 principal amounts based on the mortgage servicer's volume of

408 servicing activity most recently reported to the commissioner:

409 (1) If the amount of the residential mortgage loans serviced is one
410 hundred million dollars or less, the principal amount shall be three
411 hundred thousand dollars; or

412 (2) If the amount of such loans exceeds one hundred million dollars,
413 the principal amount shall be three hundred thousand dollars plus (A)
414 three-twentieths of one per cent of the amount of residential mortgage
415 loans serviced greater than one hundred million dollars but less than
416 or equal to five hundred million dollars; (B) plus one-eighth of one per
417 cent of the amount of residential mortgage loans serviced greater than
418 five hundred million dollars but less than or equal to one billion
419 dollars; and (C) plus one-tenth of one per cent of the amount of
420 residential mortgage loans serviced greater than one billion dollars.

421 The amount of residential mortgage loans serviced shall be based on
422 the mortgage servicer's volume most recently reported to the
423 commissioner. The fidelity bond and errors and omissions coverage
424 may provide for a deductible amount not to exceed the greater of one
425 hundred thousand dollars or five per cent of the principal amount.

426 (d) A surety shall have the right to cancel the surety bond, fidelity
427 bond and errors and omissions coverage required by this section at
428 any time by a written notice to the principal stating the date
429 cancellation shall take effect. Such notice shall be sent by certified mail
430 to the principal at least thirty days prior to the date of cancellation. A
431 surety bond, fidelity bond or errors and omissions coverage shall not
432 be cancelled unless the surety notifies the commissioner, in writing,
433 not less than thirty days prior to the effective date of cancellation. After
434 receipt of such notification from the surety, the commissioner shall
435 give written notice to the principal of the date such cancellation shall
436 take effect. The commissioner shall automatically suspend the license
437 of a mortgage servicer on such date. No automatic suspension or
438 inactivation shall occur if, prior to the date that such bond or errors
439 and omissions coverage cancellation shall take effect, (1) the principal

440 submits a letter of reinstatement of the bond or errors and omissions
441 coverage, or a new bond or errors and omissions policy; or (2) the
442 mortgage servicer licensee has ceased business in this state and has
443 surrendered all licenses in accordance with section 36a-51 of the
444 general statutes, as amended by this act, and section 6 of this act. After
445 a mortgage servicer license has been automatically suspended
446 pursuant to this section, the commissioner shall give such licensee
447 notice of the automatic suspension, pending proceedings for
448 revocation or refusal to renew pursuant to section 15 of this act and an
449 opportunity for a hearing on such action in accordance with section
450 36a-51 of the general statutes, as amended by this act, and require such
451 licensee to take or refrain from taking such action as in the opinion of
452 the commissioner will effectuate the purposes of this section. A person
453 licensed as a mortgage lender in this state acting as a mortgage servicer
454 from a location licensed as a main office or branch office under sections
455 36a-485 to 36a-498f, inclusive, as amended by this act, 36a-534a and
456 36a-534b of the general statutes, as amended by this act, shall cease to
457 be exempt from mortgage servicer licensing requirements in this state
458 upon cancellation of any surety bond, fidelity bond or errors and
459 omissions coverage required by this section.

460 (e) If the commissioner finds that the financial condition of a
461 mortgage servicer or mortgage lender licensee so requires, as
462 evidenced by the reduction of tangible net worth, financial losses or
463 potential losses as a result of a violation of sections 36a-715 to 36a-718,
464 inclusive, of the general statutes, as amended by this act, sections 5 to
465 16, inclusive, of this act, and section 36a-1 of the general statutes, as
466 amended by this act, the commissioner may require one or more
467 additional bonds meeting the standards set forth in this section. The
468 licensee shall file any such additional bonds not later than ten days
469 after receipt of the commissioner's written notice of such requirement.
470 A mortgage servicer or mortgage lender licensee shall file, as the
471 commissioner may require, any bond rider or endorsement or
472 addendum, as applicable, to any bond or evidence of errors and
473 omissions coverage on file with the commissioner to reflect any

474 changes necessary to maintain the surety bond, fidelity bond and
475 errors and omissions coverage required by this section.

476 Sec. 9. (NEW) (*Effective October 1, 2014*) (a) Each mortgage servicer
477 licensee and person exempt from licensure pursuant to subdivision (2)
478 of subsection (b) of section 36a-718 of the general statutes, as amended
479 by this act, shall maintain adequate records of each residential
480 mortgage loan transaction at the office named in the mortgage servicer
481 or mortgage lender license, or, if requested by the Banking
482 Commissioner, shall make such records available at such office or send
483 such records to the commissioner by registered or certified mail, return
484 receipt requested, or by any express delivery carrier that provides a
485 dated delivery receipt, not later than five business days after requested
486 by the commissioner to do so. Upon request, the commissioner may
487 grant a licensee additional time to make such records available or send
488 them to the commissioner. Such records shall provide the following
489 information: (1) A loan history for residential mortgage loans upon
490 which payments are received or made by the mortgage servicer,
491 itemizing the amount and date of each payment and the unpaid
492 balance at all times; (2) the original or an exact copy of the note,
493 residential mortgage or other evidence of indebtedness and mortgage
494 deed; (3) the name and address of the mortgage lender, mortgage
495 correspondent lender and mortgage broker, if any, involved in the
496 residential mortgage loan transaction; (4) copies of any disclosures or
497 notifications provided to the mortgagor required by state or federal
498 law; (5) a copy of any bankruptcy plan approved in a proceeding filed
499 by the mortgagor or a co-owner of the property subject to the
500 residential mortgage loan; (6) a communications log that documents all
501 verbal communications with the mortgagor or the mortgagor's
502 representative; and (7) a copy of all notices sent to the mortgagor
503 related to any foreclosure proceeding filed against the encumbered
504 property.

505 (b) Every mortgage servicer licensee and person exempt from
506 licensure pursuant to subdivision (2) of subsection (b) of section 36a-

507 718 of the general statutes, as amended by this act, shall retain the
508 records of each residential mortgage loan serviced for not less than two
509 years following the final payment on such residential mortgage loan,
510 or the assignment of such residential mortgage loan, whichever occurs
511 first, or such longer period as may be required by any other provision
512 of law. Every mortgage servicer licensee and person exempt from
513 licensure pursuant to subdivision (2) of subsection (b) of section 36a-
514 718 of the general statutes, as amended by this act, shall keep and use
515 in its business books, accounts and records that will enable the
516 commissioner to determine whether such mortgage servicer is
517 complying with the provisions of sections 36a-715 to 36a-718, inclusive,
518 of the general statutes, as amended by this act, and sections 5 to 17,
519 inclusive, of this act and with any regulations adopted pursuant
520 thereto.

521 Sec. 10. (NEW) (*Effective January 1, 2015*) Upon assignment of
522 servicing rights on a residential mortgage loan, the mortgage servicer
523 shall disclose to the mortgagor: (1) Any notice required by the Real
524 Estate Settlement Procedures Act of 1974, 12 USC Section 2601 et seq.,
525 as from time to time amended, and the regulations promulgated
526 thereunder, and within the time periods prescribed therein; and (2) a
527 schedule of the ranges and categories of its costs and fees for its
528 servicing-related activities, which shall comply with state and federal
529 law and, if such disclosure is made by a mortgage servicer licensee,
530 shall not exceed those reported to the Banking Commissioner in
531 accordance with subsection (f) of section 5 of this act.

532 Sec. 11. (NEW) (*Effective January 1, 2015*) A mortgage servicer shall
533 comply with all applicable federal laws and regulations relating to
534 mortgage loan servicing, including, but not limited to, the Real Estate
535 Settlement Procedures Act of 1974, 12 USC Section 2601 et seq., the
536 Truth-in-Lending Act, 15 USC Section 1601 et seq., as from time to time
537 amended, and the regulations promulgated thereunder. In addition to
538 any other remedies provided by law, a violation of any such federal
539 law or regulation shall be deemed a violation of this section and a basis

540 upon which the Banking Commissioner may take enforcement action
541 pursuant to section 15 of this act.

542 Sec. 12. (NEW) (*Effective January 1, 2015*) (a) A mortgage servicer
543 shall maintain and keep current a schedule of fees that it charges
544 mortgagors for its servicing-related activities. The schedule shall
545 identify each fee, provide a plain English explanation of the fee and
546 state the amount of the fee or range of amounts or, if there is no
547 standard fee, how the fee is calculated or determined. A mortgage
548 servicer shall make its schedule available to the mortgagor or the
549 mortgagor's authorized representative upon request.

550 (b) A mortgage servicer shall not impose any late fee or delinquency
551 charge when the only delinquency is attributable to late fees or
552 delinquency charges assessed on an earlier payment, and the payment
553 is otherwise a full payment for the applicable period and is paid on its
554 due date or within any applicable grace period. Late charges shall not
555 be (1) based on an amount greater than the past due amount; (2)
556 collected from the escrow account or from escrow surplus without the
557 approval of the mortgagor; or (3) deducted from any regular payment.

558 Sec. 13. (NEW) (*Effective January 1, 2015*) No mortgage servicer shall:

559 (1) Directly or indirectly employ any scheme, device or artifice to
560 defraud or mislead mortgagors or mortgagees or to defraud any
561 person;

562 (2) Engage in any unfair or deceptive practice toward any person or
563 misrepresent or omit any material information in connection with the
564 servicing of the residential mortgage loan, including, but not limited
565 to, misrepresenting the amount, nature or terms of any fee or payment
566 due or claimed to be due on a residential mortgage loan, the terms and
567 conditions of the servicing agreement or the mortgagor's obligations
568 under the residential mortgage loan;

569 (3) Obtain property by fraud or misrepresentation;

570 (4) Knowingly misapply or recklessly apply residential mortgage
571 loan payments to the outstanding balance of a residential mortgage
572 loan;

573 (5) Knowingly misapply or recklessly apply payments to escrow
574 accounts;

575 (6) Place hazard, homeowner's or flood insurance on the mortgaged
576 property when the mortgage servicer knows or has reason to know
577 that the mortgagor has an effective policy for such insurance;

578 (7) Fail to comply with section 49-10a of the general statutes;

579 (8) Knowingly or recklessly provide inaccurate information to a
580 credit bureau, thereby harming a mortgagor's creditworthiness;

581 (9) Fail to report both the favorable and unfavorable payment
582 history of the mortgagor to a nationally recognized consumer credit
583 bureau at least annually if the mortgage servicer regularly reports
584 information to a credit bureau;

585 (10) Collect private mortgage insurance beyond the date for which
586 private mortgage insurance is required;

587 (11) Fail to issue a release of mortgage in accordance with section
588 49-8 of the general statutes;

589 (12) Fail to provide written notice to a mortgagor upon taking action
590 to place hazard, homeowner's or flood insurance on the mortgaged
591 property, including a clear and conspicuous statement of the
592 procedures by which the mortgagor may demonstrate that he or she
593 has the required insurance coverage and by which the mortgage
594 servicer shall terminate the insurance coverage placed by it and refund
595 or cancel any insurance premiums and related fees paid by or charged
596 to the mortgagor;

597 (13) Place hazard, homeowner's or flood insurance on a mortgaged

598 property, or require a mortgagor to obtain or maintain such insurance,
599 in excess of the replacement cost of the improvements on the
600 mortgaged property as established by the property insurer;

601 (14) Fail to provide to the mortgagor a refund of unearned
602 premiums paid by a mortgagor or charged to the mortgagor for
603 hazard, homeowner's or flood insurance placed by a mortgagee or the
604 mortgage servicer if the mortgagor provides reasonable proof that the
605 mortgagor has obtained coverage such that the forced placement
606 insurance is no longer necessary and the property is insured. If the
607 mortgagor provides reasonable proof that no lapse in coverage
608 occurred such that the forced placement was not necessary, the
609 mortgage servicer shall promptly refund the entire premium;

610 (15) Require any amount of funds to be remitted by means more
611 costly to the mortgagor than a bank or certified check or attorney's
612 check from an attorney's account to be paid by the mortgagor;

613 (16) Refuse to communicate with an authorized representative of the
614 mortgagor who provides a written authorization signed by the
615 mortgagor, provided the mortgage servicer may adopt procedures
616 reasonably related to verifying that the representative is in fact
617 authorized to act on behalf of the mortgagor;

618 (17) Conduct any business covered by sections 36a-715 to 36a-718,
619 inclusive, of the general statutes, as amended by this act, and sections 5
620 to 17, inclusive, of this act without holding a valid license as required
621 under said sections, or assist or aid and abet any person in the conduct
622 of business without a valid license as required under title 36a of the
623 general statutes;

624 (18) Negligently make any false statement or knowingly and
625 wilfully make any omission of a material fact in connection with any
626 information or reports filed with a governmental agency or the system
627 or in connection with any investigation conducted by the Banking
628 Commissioner or another governmental agency; or

629 (19) Collect, charge, attempt to collect or charge or use or propose
630 any agreement purporting to collect or charge any fee prohibited by
631 sections 36a-485 to 36a-498f, inclusive, as amended by this act, 36a-
632 534a and 36a-534b of the general statutes, as amended by this act.

633 Sec. 14. (NEW) (*Effective October 1, 2014*) (a) In addition to any
634 authority provided under title 36a of the general statutes, the Banking
635 Commissioner shall have the authority to conduct investigations and
636 examinations as follows:

637 (1) For purposes of initial licensing, license renewal, license
638 suspension, license conditioning, license revocation or termination, or
639 general or specific inquiry or investigation to determine compliance
640 with sections 36a-715 to 36a-718, inclusive, of the general statutes, as
641 amended by this act, and sections 5 to 17, inclusive, of this act, the
642 commissioner may access, receive and use any books, accounts,
643 records, files, documents, information or evidence including, but not
644 limited to, (A) criminal, civil and administrative history information;
645 (B) personal history and experience information, including
646 independent credit reports obtained from a consumer reporting
647 agency described in Section 603(p) of the Fair Credit Reporting Act, 15
648 USC 1681a; and (C) any other documents, information or evidence the
649 commissioner deems relevant to the inquiry or investigation regardless
650 of the location, possession, control or custody of such documents,
651 information or evidence.

652 (2) For the purposes of investigating violations or complaints arising
653 under sections 36a-715 to 36a-718, inclusive, of the general statutes, as
654 amended by this act, and sections 5 to 17, inclusive, of this act or for
655 the purposes of examination, the commissioner may review,
656 investigate or examine any mortgage servicer licensee or person
657 subject to said sections as often as necessary in order to carry out the
658 purposes of said sections. The commissioner may direct, subpoena or
659 order the attendance of and examine under oath all persons whose
660 testimony may be required about the residential mortgage loans or the
661 business or subject matter of any such examination or investigation,

662 and may direct, subpoena or order such person to produce books,
663 accounts, records, files and any other documents the commissioner
664 deems relevant to the inquiry.

665 (b) Each mortgage servicer licensee or person subject to sections 36a-
666 715 to 36a-718, inclusive, of the general statutes, as amended by this
667 act, and sections 5 to 17, inclusive, of this act shall make or compile
668 reports or prepare other information as directed by the commissioner
669 in order to carry out the purposes of this section including accounting
670 compilations, information lists and data concerning residential
671 mortgage loan transactions in a format prescribed by the commissioner
672 or such other information the commissioner deems necessary to carry
673 out the purposes of sections 36a-715 to 36a-718, inclusive, of the
674 general statutes, as amended by this act, and sections 5 to 17, inclusive,
675 of this act.

676 (c) In making any examination or investigation authorized by this
677 section, the commissioner may control access to any documents and
678 records of the mortgage servicer licensee or person under examination
679 or investigation. The commissioner may take possession of the
680 documents and records or place a person in exclusive charge of the
681 documents and records in the place where they are usually kept.
682 During the period of control, no person shall remove or attempt to
683 remove any of the documents and records except pursuant to a court
684 order or with the consent of the commissioner. Unless the
685 commissioner has reasonable grounds to believe the documents or
686 records of the mortgage servicer licensee or person have been, or are at
687 risk of being, altered or destroyed for purposes of concealing a
688 violation of sections 36a-715 to 36a-718, inclusive, of the general
689 statutes, as amended by this act, and sections 5 to 17, inclusive, of this
690 act the mortgage servicer licensee or owner of the documents and
691 records shall have access to the documents or records as necessary to
692 conduct its ordinary business affairs.

693 (d) In order to carry out the purposes of this section, the
694 commissioner may:

695 (1) Retain attorneys, accountants or other professionals and
696 specialists as examiners, auditors or investigators to conduct or assist
697 in the conduct of examinations or investigations;

698 (2) Enter into agreements or relationships with other government
699 officials or regulatory associations in order to improve efficiencies and
700 reduce regulatory burden by sharing resources, standardized or
701 uniform methods or procedures, and documents, records, information
702 or evidence obtained under this section;

703 (3) Use, hire, contract or employ public or privately available
704 analytical systems, methods or software to examine or investigate the
705 mortgage servicer licensee or person subject to sections 36a-715 to 36a-
706 718, inclusive, of the general statutes, as amended by this act, and
707 sections 5 to 17, inclusive, of this act;

708 (4) Accept and rely on examination or investigation reports made by
709 other government officials, within or without this state; and

710 (5) Accept audit reports made by an independent certified public
711 accountant for the mortgage servicer licensee or person subject to
712 sections 36a-715 to 36a-718, inclusive, of the general statutes, as
713 amended by this act, and sections 5 to 17, inclusive, of this act in the
714 course of that part of the examination covering the same general
715 subject matter as the audit and may incorporate the audit report in the
716 report of examination, report of investigation or other writing of the
717 commissioner.

718 (e) The authority of this section shall remain in effect, whether such
719 mortgage servicer licensee or person subject to sections 36a-715 to 36a-
720 718, inclusive, of the general statutes, as amended by this act, and
721 sections 5 to 17, inclusive, of this act, acts or claims to act under any
722 licensing or registration law of this state, or claims to act without such
723 authority.

724 (f) No mortgage servicer licensee or person subject to investigation
725 or examination under this section may knowingly withhold, abstract,

726 remove, mutilate, destroy or secrete any books, records, computer
727 records or other information.

728 Sec. 15. (NEW) (*Effective October 1, 2014*) (a) The Banking
729 Commissioner may suspend, revoke or refuse to renew any mortgage
730 servicer license or take any other action, in accordance with the
731 provisions of section 36a-51 of the general statutes, as amended by this
732 act, for any reason which would be sufficient grounds for the
733 commissioner to deny an application for such license under section 5
734 of this act, or if the commissioner finds that the licensee, any control
735 person of the licensee, the qualified individual or any branch manager
736 with supervisory authority, trustee, employee or agent of such licensee
737 has done any of the following: (1) Made any material misstatement in
738 the application; (2) committed any fraud or misrepresentation or
739 misappropriated funds; (3) violated any of the provisions of title 36a of
740 the general statutes or of any regulations adopted pursuant thereto, or
741 any other law or regulation applicable to the conduct of its business; or
742 (4) failed to perform any agreement with a mortgagee or a mortgagor.

743 (b) Whenever it appears to the commissioner that any person has
744 violated, is violating or is about to violate section 49-8 or 49-10a of the
745 general statutes, any of the provisions of title 36a of the general
746 statutes or of any regulations adopted pursuant thereto, or any licensee
747 has failed to perform any agreement with a mortgagee or mortgagor,
748 committed any fraud, made any misrepresentation or misappropriated
749 funds, the commissioner may take action against such person or
750 licensee in accordance with sections 36a-50 and 36a-52 of the general
751 statutes.

752 Sec. 16. (NEW) (*Effective October 1, 2014*) The Banking Commissioner
753 may adopt such regulations, in accordance with chapter 54 of the
754 general statutes, as the commissioner deems necessary to administer
755 and enforce the provisions of sections 36a-715 to 36a-718, inclusive, of
756 the general statutes, as amended by this act, and sections 5 to 17,
757 inclusive, of this act.

758 Sec. 17. (NEW) (*Effective October 1, 2014*) The provisions of section
759 36a-718 of the general statutes, as amended by this act, and sections 5
760 to 13, inclusive, of this act shall not apply to (1) a person exempt from
761 licensure as a mortgage lender or mortgage correspondent lender
762 pursuant to subsection (b) of section 36a-487 of the general statutes
763 while servicing residential mortgage loans made pursuant to such
764 exemption, (2) a person servicing five or fewer residential mortgage
765 loans within any period of twelve consecutive months, (3) any agency
766 of the federal government, any state or municipal government or any
767 quasi-governmental agency servicing residential mortgage loans under
768 the specific authority of the laws of any state or the United States, and
769 (4) a person exempt from licensure as a mortgage servicer pursuant to
770 subdivision (1) of subsection (b) of section 36a-718 of the general
771 statutes, as amended by this act.

772 Sec. 18. Section 36a-1 of the 2014 supplement to the general statutes
773 is repealed and the following is substituted in lieu thereof (*Effective*
774 *October 1, 2014*):

775 This title shall be known as the "Banking Law of Connecticut" and
776 shall be applicable to all Connecticut banks, Connecticut credit unions,
777 mortgage lenders, mortgage correspondent lenders, mortgage brokers,
778 mortgage loan originators, loan processors or underwriters, money
779 transmitters, check cashers, trustees under mortgages or deeds of trust
780 of real property securing certain investments, corporations exercising
781 fiduciary powers, small loan lenders, sales finance companies,
782 mortgage [servicing companies] servicers, debt adjusters, debt
783 negotiators, consumer collection agencies and to such other persons as
784 subject themselves to the provisions of this title or who, by violating
785 any of its provisions, become subject to the penalties provided in this
786 title.

787 Sec. 19. Subdivision (6) of subsection (c) of section 36a-65 of the
788 general statutes is repealed and the following is substituted in lieu
789 thereof (*Effective October 1, 2014*):

790 (6) A licensee under section 36a-489, 36a-541, 36a-556, 36a-581, 36a-
791 600, 36a-628, 36a-656, 36a-671, section 5 of this act or 36a-801, as
792 amended by this act, shall pay to the commissioner the actual cost of
793 any examination of the licensee, as such cost is determined by the
794 commissioner. If the licensee fails to pay such cost not later than sixty
795 days after receipt of demand from the commissioner, the commissioner
796 may suspend the license until such costs are paid.

797 Sec. 20. Subdivision (4) of subsection (a) of section 36a-412 of the
798 general statutes is repealed and the following is substituted in lieu
799 thereof (*Effective October 1, 2014*):

800 (4) (A) The laws of this state, including laws regarding (i)
801 community reinvestment pursuant to sections 36a-30 to 36a-33,
802 inclusive; (ii) consumer protection pursuant to sections 36a-41 to 36a-
803 45, inclusive, 36a-290 to 36a-304, inclusive, 36a-306, 36a-307, 36a-315 to
804 36a-323, inclusive, 36a-645 to 36a-647, inclusive, 36a-690, 36a-695 to
805 36a-700, inclusive, 36a-705 to 36a-707, inclusive, 36a-715 to 36a-718,
806 inclusive, as amended by this act, sections 5 to 17, inclusive, of this act,
807 36a-725, 36a-726, 36a-755 to 36a-759, inclusive, 36a-770 to 36a-788,
808 inclusive, and 36a-800 to 36a-810, inclusive; (iii) fair lending pursuant
809 to sections 36a-737, 36a-740 and 36a-741; and (iv) establishment of
810 interstate branches pursuant to section 36a-145, as amended by this act,
811 shall apply to any branch in this state of an out-of-state bank, other
812 than a federally-chartered out-of-state bank, to the same extent as such
813 laws apply to a branch in this state of an out-of-state national banking
814 association.

815 (B) An out-of-state bank, other than a federally-chartered out-of-
816 state bank, that establishes a branch in this state may conduct any
817 activity at such branch that is permissible under the laws of the home
818 state of such out-of-state bank, to the extent such activity is permissible
819 either for a Connecticut bank or for a branch in this state of an out-of-
820 state national banking association. If the commissioner determines that
821 a branch in this state of an out-of-state bank, other than a federally-
822 chartered out-of-state bank, is being operated in violation of any

823 applicable law of this state or in an unsafe and unsound manner, the
824 commissioner may take any enforcement action authorized under this
825 title against such out-of-state bank to the same extent as if such branch
826 were a Connecticut bank, provided the commissioner shall promptly
827 give notice of such action to the home state banking regulator of such
828 out-of-state bank and, to the extent practicable, shall consult and
829 cooperate with such regulator in pursuing and resolving such action.
830 For purposes of this subparagraph, "activity" includes acquiring or
831 retaining any investment.

832 Sec. 21. Subsection (a) of section 36a-487 of the general statutes is
833 repealed and the following is substituted in lieu thereof (*Effective*
834 *October 1, 2014*):

835 (a) The following are exempt from licensing as a mortgage lender,
836 mortgage correspondent lender or mortgage broker under sections
837 36a-485 to 36a-498f, inclusive, as amended by this act, 36a-534a and
838 36a-534b, as amended by this act: (1) Any bank, out-of-state bank,
839 Connecticut credit union, federal credit union or out-of-state credit
840 union, provided such bank or credit union is federally insured, any
841 [operating] wholly-owned subsidiary of a federal bank or federally-
842 chartered out-of-state bank, [or] any wholly-owned subsidiary of a
843 Connecticut bank or a Connecticut credit union or any operating
844 subsidiary of a federal bank or federally-chartered out-of-state bank or
845 any wholly-owned subsidiary of a Connecticut bank or Connecticut
846 credit union where each owner of such operating or wholly-owned
847 subsidiary is wholly-owned by the same bank; (2) any person licensed
848 under sections 36a-671 to 36a-671d, inclusive, or exempt from licensure
849 under section 36a-671c, as amended by this act, who is negotiating or
850 offering to negotiate terms of a residential mortgage loan as authorized
851 by said sections 36a-671 to 36a-671d, inclusive; and (3) any person
852 engaged solely in providing loan processing or underwriting services
853 to persons (A) licensed as a mortgage lender, mortgage correspondent
854 lender or mortgage broker, or (B) exempt from such licensure under
855 subdivision (1) of this subsection. Each wholly-owned subsidiary of a

856 Connecticut bank or Connecticut credit union that engages in the
857 business of making residential mortgage loans or acts as a mortgage
858 broker in this state shall provide written notification to the
859 commissioner prior to engaging in such activity.

860 Sec. 22. Section 36a-671c of the general statutes is repealed and the
861 following is substituted in lieu thereof (*Effective October 1, 2014*):

862 The provisions of sections 36a-671 to 36a-671d, inclusive, shall not
863 apply to the following: (1) Any attorney admitted to the practice of law
864 in this state who engages or offers to engage in debt negotiation as an
865 ancillary matter to such attorney's representation of a client; (2) any
866 bank, out-of-state bank, Connecticut credit union, federal credit union
867 or out-of-state credit union, provided subsidiaries of such institutions
868 other than [operating] wholly-owned subsidiaries of federal banks and
869 federally-chartered out-of-state banks and operating subsidiaries
870 where each owner of the operating subsidiary is wholly-owned by the
871 same bank are not exempt from licensure; (3) any person licensed as a
872 debt adjuster pursuant to sections 36a-655 to 36a-665, inclusive, while
873 performing debt adjuster services; (4) any person acting under the
874 order of a court; or (5) any bona fide nonprofit organization organized
875 under Section 501(c)(3) of the Internal Revenue Code of 1986, or any
876 subsequent corresponding internal revenue code of the United States,
877 as amended from time to time.

878 Sec. 23. Section 49-2a of the general statutes is repealed and the
879 following is substituted in lieu thereof (*Effective October 1, 2014*):

880 (a) On and after July 1, 1993, each state bank and trust company,
881 national banking association, state or [federally chartered] federally-
882 chartered savings and loan association, savings bank, insurance
883 company and other mortgagee or mortgage [servicing company]
884 servicer holding funds of a mortgagor in escrow for the payment of
885 taxes and insurance premiums with respect to mortgaged property
886 located in this state shall pay interest on such funds, except as
887 provided in section 49-2c, as amended by this act, at a rate of not less

888 than the average rate paid, as of December 30, 1992, on savings
889 deposits by insured commercial banks as published in the Federal
890 Reserve Board Bulletin and rounded to the nearest one-tenth of one
891 percentage point, except in no event shall the rate be less than one and
892 one-half per cent. On and after January 1, 1994, until September 30,
893 2012, the rate for each calendar year shall be not less than the deposit
894 index as defined in subsection (c) of this section for that year and
895 rounded to the nearest one-tenth of one percentage point, except in no
896 event shall the rate be less than one and one-half per cent. On and after
897 October 1, 2012, the rate for each calendar year shall be not less than
898 the deposit index as defined in subsection (c) of this section for that
899 year and rounded to the nearest one-tenth of one percentage point.
900 Interest payments shall be credited on the thirty-first day of December
901 annually toward the payment of taxes or insurance premiums as the
902 case may be, on such mortgaged property in the ensuing year. If the
903 mortgage debt is paid prior to December thirty-first in any year, the
904 interest to the date of payment shall be paid to the mortgagor. The
905 provisions of this section shall apply only with respect to mortgages on
906 owner-occupied residential property consisting of not more than four
907 living units and housing cooperatives occupied solely by the
908 shareholders thereof. Any mortgagee or mortgage [servicing company]
909 servicer violating the provisions of this section shall be fined not more
910 than one hundred dollars for each offense.

911 (b) Each mortgagee or mortgage [servicing company] servicer
912 subject to the provisions of this section may contact the Department of
913 Banking to ascertain the published deposit index to determine the
914 minimum rate paid on funds of a mortgagor held in escrow for the
915 payment of taxes and insurance premiums.

916 (c) The deposit index for each calendar year shall be equal to the
917 average rate paid on savings deposits by insured commercial banks as
918 last published in the Federal Reserve Board Bulletin in November of
919 the prior year. The commissioner shall determine the deposit index for
920 each calendar year and publish such deposit index in the Department

921 of Banking news bulletin no later than December fifteenth of the prior
922 year. For purposes of this section, "Federal Reserve Board Bulletin"
923 means the monthly survey of selected deposits published as a special
924 supplement to the Federal Reserve Statistical Release Publication H.6
925 published by the Board of Governors of the Federal Reserve System or,
926 if such bulletin is superseded or becomes unavailable, a substantially
927 similar index or publication.

928 Sec. 24. Section 49-2c of the general statutes is repealed and the
929 following is substituted in lieu thereof (*Effective October 1, 2014*):

930 (a) In no event shall interest be required to be paid on escrow
931 accounts where (1) there is a contract between the mortgagor and the
932 mortgagee, entered into before October 1, 1975, which contains an
933 express disclaimer of an obligation on the part of the mortgagee to pay
934 interest on the accounts, (2) the payment of such interest would violate
935 any federal law or regulation, (3) the accounts are maintained with a
936 mortgage [servicing company] servicer, neither affiliated with nor
937 owned in whole or in part by the mortgagee, under a written contract
938 or any mortgage agreements underlying the contracts, entered into
939 before October 1, 1975, which contract does not permit the mortgage
940 [servicing company] servicer to earn or receive a return from the
941 investment of the accounts, or (4) the accounts are maintained in
942 connection with mortgage loans entered into (A) on and after October
943 1, 1977, and before January 1, 1989, and which are serviced and held
944 for sale for not more than one year by a mortgage [servicing company]
945 servicer, neither affiliated with nor owned in whole or in part by the
946 purchaser of the mortgage loan, and (B) on and after January 1, 1989,
947 and which are serviced and held for sale for not more than six months
948 by any such mortgage [servicing company] servicer, provided such
949 mortgage [servicing company] servicer shall pay interest on an escrow
950 account maintained in connection with such mortgage loan if the loan
951 is sold within such specified periods and the mortgage [servicing
952 company] servicer continues to service the loan.

953 (b) In no event shall interest be required to be paid at a rate in excess

954 of two per cent per annum where (1) there is a contract between the
955 mortgagor and the mortgagee entered into before October 1, 1977,
956 which contains an express agreement to pay interest at the rate of two
957 per cent per annum, or (2) such accounts are maintained in connection
958 with mortgage loans entered into prior to October 1, 1977, and which
959 are serviced and held for sale for not more than one year by a
960 mortgage [servicing company] servicer, neither affiliated with nor
961 owned in whole or in part by the purchaser of the mortgage loan.

962 Sec. 25. Subsection (o) of section 36a-145 of the 2014 supplement to
963 the general statutes is repealed and the following is substituted in lieu
964 thereof (*Effective October 1, 2014*):

965 (o) (1) With the approval of the commissioner, a Connecticut bank
966 may establish a loan production office in or outside this state.

967 (2) A Connecticut bank that proposes to close any loan production
968 office shall submit to the commissioner a notice of the proposed
969 closing not later than thirty days prior to the date proposed for such
970 closing. The notice shall include a detailed statement of the reasons for
971 the decision to close the loan production office and the statistical and
972 other information in support of such reasons. After receipt of the
973 notice, the commissioner may require the Connecticut bank to submit
974 any additional information. The Connecticut bank shall provide notice
975 of the proposed closing to its customers by posting a notice in a
976 conspicuous manner on the premises of such loan production office for
977 at least a thirty-day period ending on the date proposed for such
978 closing.

979 Sec. 26. Subsection (a) of section 36a-633 of the general statutes is
980 repealed and the following is substituted in lieu thereof (*Effective*
981 *October 1, 2014*):

982 (a) Each applicant for a license, at the time of making such
983 application, shall pay to the commissioner a nonrefundable license fee
984 of four hundred dollars. Each license issued pursuant to this

985 subsection shall expire at the close of business on June thirtieth of each
986 year, unless such license is renewed. The license shall not be
987 transferable or assignable. Each licensee shall, on or before June
988 twentieth of each year, pay to the commissioner the sum of four
989 hundred dollars as a license renewal fee for the succeeding year,
990 commencing July first. Each applicant or licensee shall pay the
991 expenses of any examination or investigation made under sections 36a-
992 625 to 36a-634, inclusive.

993 Sec. 27. Subsection (q) of section 36a-70 of the general statutes is
994 repealed and the following is substituted in lieu thereof (*Effective from*
995 *passage*):

996 (q) (1) As used in this subsection, "bankers' bank" means a
997 Connecticut bank that is (A) owned exclusively by any combination of
998 banks, out-of-state banks, Connecticut credit unions, federal credit
999 unions, or out-of-state credit unions having their principal office in
1000 Connecticut, Maine, Massachusetts, New Hampshire, New Jersey,
1001 New York, Pennsylvania, Rhode Island or Vermont, and (B) organized
1002 to engage exclusively in providing services for, or that indirectly
1003 benefit, other banks, out-of-state banks, Connecticut credit unions,
1004 federal credit unions, or out-of-state credit unions and their directors,
1005 officers and employees.

1006 (2) One or more persons may organize a bankers' bank in
1007 accordance with the provisions of this section, except that subsections
1008 (g) and (h) of this section shall not apply. The approving authority for
1009 a bankers' bank shall be the commissioner acting alone. Before
1010 granting a temporary certificate of authority in the case of an
1011 application to organize a bankers' bank, the approving authority shall
1012 consider (A) whether the proposed bankers' bank will facilitate the
1013 provision of services that such banks, out-of-state banks, Connecticut
1014 credit unions, federal credit unions, or out-of-state credit unions would
1015 not otherwise be able to readily obtain, and (B) the character and
1016 experience of the proposed directors and officers. The application to
1017 organize a bankers' bank shall be approved if the approving authority

1018 determines that the interest of the public will be directly or indirectly
1019 served to advantage by the establishment of the proposed bankers'
1020 bank, and the proposed directors possess capacity and fitness for the
1021 duties and responsibilities with which they will be charged.

1022 (3) A bankers' bank shall have all of the powers of and be subject to
1023 all of the requirements applicable to a Connecticut bank under this title
1024 which are not inconsistent with this subsection, except: (A) A bankers'
1025 bank may only provide services for, or that indirectly benefit, other
1026 banks, out-of-state banks, Connecticut credit unions, federal credit
1027 unions, or out-of-state credit unions and for the directors, officers and
1028 employees of such banks, out-of-state banks, Connecticut credit
1029 unions, federal credit unions, or out-of-state credit unions; (B) only
1030 banks, out-of-state banks, Connecticut credit unions, federal credit
1031 unions, or out-of-state credit unions having their principal office in
1032 Connecticut, Maine, Massachusetts, New Hampshire, New Jersey,
1033 New York, Pennsylvania, Rhode Island or Vermont may own the
1034 capital stock of or otherwise invest in a bankers' bank; (C) upon the
1035 written request of a bankers' bank, the commissioner may waive
1036 specific requirements of this title and the regulations adopted
1037 thereunder if the commissioner finds that (i) the requirement pertains
1038 primarily to banks that provide retail or consumer banking services
1039 and is inconsistent with this subsection, and (ii) the requirement may
1040 impede the ability of the bankers' bank to compete or to provide
1041 desired services to its market provided, any such waiver and the
1042 commissioner's findings shall be in writing and shall be made
1043 available for public inspection; and (D) the commissioner may, by
1044 regulation, limit the powers that may be exercised by a bankers' bank.

1045 (4) The commissioner may adopt regulations, in accordance with
1046 chapter 54, to administer the provisions of this subsection.

1047 Sec. 28. Section 36a-2 of the general statutes is repealed and the
1048 following is substituted in lieu thereof (*Effective from passage*):

1049 As used in this title, unless the context otherwise requires:

1050 (1) "Affiliate" of a person means any person controlling, controlled
1051 by, or under common control with, that person;

1052 (2) "Applicant" with respect to any license or approval provision
1053 pursuant to this title means a person who applies for that license or
1054 approval;

1055 (3) "Automated teller machine" means a stationary or mobile
1056 [unattended] device that is unattended or equipped with a telephone
1057 or televideo device that allows contact with bank personnel, including
1058 a satellite device but excluding a point of sale terminal, at which
1059 banking transactions, including, but not limited to, deposits,
1060 withdrawals, advances, payments or transfers, may be conducted;

1061 (4) "Bank" means a Connecticut bank or a federal bank;

1062 (5) "Bank and trust company" means an institution chartered or
1063 organized under the laws of this state as a bank and trust company;

1064 (6) "Bank holding company" has the meaning given to that term in
1065 12 USC Section 1841(a), as amended from time to time, except that the
1066 term "bank", as used in 12 USC Section 1841(a) includes a bank or out-
1067 of-state bank that functions solely in a trust or fiduciary capacity;

1068 (7) "Capital stock" when used in conjunction with any bank or out-
1069 of-state bank means a bank or out-of-state bank that is authorized to
1070 accumulate funds through the issuance of its capital stock;

1071 (8) "Client" means a beneficiary of a trust for whom the Connecticut
1072 bank acts as trustee, a person for whom the Connecticut bank acts as
1073 agent, custodian or bailee, or other person to whom a Connecticut
1074 bank owes a duty or obligation under a trust or other account
1075 administered by such Connecticut bank, regardless of whether such
1076 Connecticut bank owes a fiduciary duty to the person;

1077 (9) "Club deposit" means deposits to be received at regular intervals,
1078 the whole amount deposited to be withdrawn by the owner or repaid

1079 by the bank in not more than fifteen months from the date of the first
1080 deposit, and upon which no interest or dividends need to be paid;

1081 (10) "Commissioner" means the Banking Commissioner and, with
1082 respect to any function of the commissioner, includes any person
1083 authorized or designated by the commissioner to carry out that
1084 function;

1085 (11) "Company" means any corporation, joint stock company, trust,
1086 association, partnership, limited partnership, unincorporated
1087 organization, limited liability company or similar organization, but
1088 does not include (A) any corporation the majority of the shares of
1089 which are owned by the United States or by any state, or (B) any trust
1090 which by its terms shall terminate within twenty-five years or not later
1091 than twenty-one years and ten months after the death of beneficiaries
1092 living on the effective date of the trust;

1093 (12) "Connecticut bank" means a bank and trust company, savings
1094 bank or savings and loan association chartered or organized under the
1095 laws of this state;

1096 (13) "Connecticut credit union" means a cooperative, nonprofit
1097 financial institution that (A) is organized under chapter 667 and the
1098 membership of which is limited as provided in section 36a-438a, (B)
1099 operates for the benefit and general welfare of its members with the
1100 earnings, benefits or services offered being distributed to or retained
1101 for its members, and (C) is governed by a volunteer board of directors
1102 elected by and from its membership;

1103 (14) "Connecticut credit union service organization" means a credit
1104 union service organization that is incorporated under the laws of this
1105 state, located in this state and established by at least one Connecticut
1106 credit union;

1107 (15) "Consolidation" means a combination of two or more
1108 institutions into a new institution; all institutions party to the
1109 consolidation, other than the new institution, are "constituent"

1110 institutions; the new institution is the "resulting" institution;

1111 (16) "Control" has the meaning given to that term in 12 USC Section
1112 1841(a), as amended from time to time;

1113 (17) "Credit union service organization" means an entity organized
1114 under state or federal law to provide credit union service organization
1115 services primarily to its members, to Connecticut credit unions, federal
1116 credit unions and out-of-state credit unions other than its members,
1117 and to members of any such other credit unions;

1118 (18) "Customer" means any person using a service offered by a
1119 financial institution;

1120 (19) "Demand account" means an account into which demand
1121 deposits may be made;

1122 (20) "Demand deposit" means a deposit that is payable on demand,
1123 a deposit issued with an original maturity or required notice period of
1124 less than seven days or a deposit representing funds for which the
1125 bank does not reserve the right to require at least seven days' written
1126 notice of the intended withdrawal, but does not include any time
1127 deposit;

1128 (21) "Deposit" means funds deposited with a depository;

1129 (22) "Deposit account" means an account into which deposits may
1130 be made;

1131 (23) "Depositor" includes a member of a mutual savings and loan
1132 association;

1133 (24) "Director" means a member of the governing board of a
1134 financial institution;

1135 (25) "Equity capital" means the excess of a Connecticut bank's total
1136 assets over its total liabilities, as defined in the instructions of the
1137 federal Financial Institutions Examination Council for consolidated

1138 reports of condition and income;

1139 (26) "Executive officer" means every officer of a Connecticut bank
1140 who participates or has authority to participate, otherwise than in the
1141 capacity of a director, in major policy-making functions of such bank,
1142 regardless of whether such officer has an official title or whether that
1143 title contains a designation of assistant and regardless of whether such
1144 officer is serving without salary or other compensation. The president,
1145 vice president, secretary and treasurer of such bank are deemed to be
1146 executive officers, unless, by resolution of the governing board or by
1147 such bank's bylaws, any such officer is excluded from participation in
1148 major policy-making functions, otherwise than in the capacity of a
1149 director of such bank, and such officer does not actually participate in
1150 such policy-making functions;

1151 (27) "Federal agency" has the meaning given to that term in 12 USC
1152 Section 3101, as amended from time to time;

1153 (28) "Federal bank" means a national banking association, federal
1154 savings bank or federal savings and loan association having its
1155 principal office in this state;

1156 (29) "Federal branch" has the meaning given to that term in 12 USC
1157 Section 3101, as amended from time to time;

1158 (30) "Federal credit union" means any institution chartered or
1159 organized as a federal credit union pursuant to the laws of the United
1160 States having its principal office in this state;

1161 (31) "Fiduciary" means a person undertaking to act alone or jointly
1162 with others primarily for the benefit of another or others in all matters
1163 connected with its undertaking and includes a person acting in the
1164 capacity of trustee, executor, administrator, guardian, assignee,
1165 receiver, conservator, agent, custodian under the Connecticut Uniform
1166 Gifts to Minors Act or the Uniform Transfers to Minors Act, and acting
1167 in any other similar capacity;

1168 (32) "Financial institution" means any Connecticut bank,
1169 Connecticut credit union, or other person whose activities in this state
1170 are subject to the supervision of the commissioner, but does not
1171 include a person whose activities are subject to the supervision of the
1172 commissioner solely pursuant to chapter 672a, 672b or 672c or any
1173 combination thereof;

1174 (33) "Foreign bank" has the meaning given to that term in 12 USC
1175 Section 3101, as amended from time to time;

1176 (34) "Foreign country" means any country other than the United
1177 States and includes any colony, dependency or possession of any such
1178 country;

1179 (35) "Governing board" means the group of persons vested with the
1180 management of the affairs of a financial institution irrespective of the
1181 name by which such group is designated;

1182 (36) "Holding company" means a bank holding company or a
1183 savings and loan holding company, except, as used in sections 36a-180
1184 to 36a-191, inclusive, "holding company" means a company that
1185 controls a bank;

1186 (37) "Insured depository institution" has the meaning given to that
1187 term in 12 USC Section 1813, as amended from time to time;

1188 (38) "Licensee" means any person who is licensed or required to be
1189 licensed pursuant to the applicable provisions of this title;

1190 (39) "Loan" includes any line of credit or other extension of credit;

1191 (40) "Loan production office" means an office of a bank or out-of-
1192 state bank, other than a foreign bank, whose activities are limited to
1193 loan production and solicitation;

1194 (41) "Merger" means the combination of one or more institutions
1195 with another which continues its corporate existence; all institutions

1196 party to the merger are "constituent" institutions; the merging
1197 institution which upon the merger continues its existence is the
1198 "resulting" institution;

1199 (42) "Mutual" when used in conjunction with any institution that is a
1200 bank or out-of-state bank means any such institution without capital
1201 stock;

1202 (43) "Mutual holding company" means a mutual holding company
1203 organized under sections 36a-192 to 36a-199, inclusive, and unless
1204 otherwise indicated, a subsidiary holding company controlled by a
1205 mutual holding company organized under sections 36a-192 to 36a-199,
1206 inclusive;

1207 (44) "Out-of-state" includes any state other than Connecticut and
1208 any foreign country;

1209 (45) "Out-of-state bank" means any institution that engages in the
1210 business of banking, but does not include a bank, Connecticut credit
1211 union, federal credit union or out-of-state credit union;

1212 (46) "Out-of-state credit union" means any credit union other than a
1213 Connecticut credit union or a federal credit union;

1214 (47) "Out-of-state trust company" means any company chartered to
1215 act as a fiduciary but does not include a company chartered under the
1216 laws of this state, a bank, an out-of-state bank, a Connecticut credit
1217 union, a federal credit union or an out-of-state credit union;

1218 (48) "Person" means an individual, company, including a company
1219 described in subparagraphs (A) and (B) of subdivision (11) of this
1220 section, or any other legal entity, including a federal, state or municipal
1221 government or agency or any political subdivision thereof;

1222 (49) "Point of sale terminal" means a device located in a commercial
1223 establishment at which sales transactions can be charged directly to the
1224 buyer's deposit, loan or credit account, but at which deposit

1225 transactions cannot be conducted;

1226 (50) "Prepayment penalty" means any charge or penalty for paying
1227 all or part of the outstanding balance owed on a loan before the date
1228 on which the principal is due and includes computing a refund of
1229 unearned interest by a method that is less favorable to the borrower
1230 than the actuarial method, as defined by Section 933(d) of the Housing
1231 and Community Development Act of 1992, 15 USC 1615(d), as
1232 amended from time to time;

1233 (51) "Reorganized savings bank" means any savings bank
1234 incorporated and organized in accordance with sections 36a-192 and
1235 36a-193;

1236 (52) "Reorganized savings and loan association" means any savings
1237 and loan association incorporated and organized in accordance with
1238 sections 36a-192 and 36a-193;

1239 (53) "Reorganized savings institution" means any reorganized
1240 savings bank or reorganized savings and loan association;

1241 (54) "Representative office" has the meaning given to that term in 12
1242 USC Section 3101, as amended from time to time;

1243 (55) "Reserves for loan and lease losses" means the amounts
1244 reserved by a Connecticut bank against possible loan and lease losses
1245 as shown on the bank's consolidated reports of condition and income;

1246 (56) "Retail deposits" means any deposits made by individuals who
1247 are not "accredited investors", as defined in 17 CFR 230.501(a);

1248 (57) "Satellite device" means an automated teller machine which is
1249 not part of an office of the bank, Connecticut credit union or federal
1250 credit union which has established such machine;

1251 (58) "Savings account" means a deposit account, other than an
1252 escrow account established pursuant to section 49-2a, as amended by

1253 this act, into which savings deposits may be made and which account
1254 must be evidenced by periodic statements delivered at least
1255 semiannually or by a passbook;

1256 (59) "Savings and loan association" means an institution chartered or
1257 organized under the laws of this state as a savings and loan
1258 association;

1259 (60) "Savings bank" means an institution chartered or organized
1260 under the laws of this state as a savings bank;

1261 (61) "Savings deposit" means any deposit other than a demand
1262 deposit or time deposit on which interest or a dividend is paid
1263 periodically;

1264 (62) "Savings and loan holding company" has the meaning given to
1265 that term in 12 USC Section 1467a, as amended from time to time;

1266 (63) "Share account holder" means a person who maintains a share
1267 account in a Connecticut credit union, federal credit union or out-of-
1268 state credit union that maintains in this state a branch, as defined in
1269 section 36a-435b;

1270 (64) "State" means any state of the United States, the District of
1271 Columbia, any territory of the United States, Puerto Rico, Guam,
1272 American Samoa, the trust territory of the Pacific Islands, the Virgin
1273 Islands and the Northern Mariana Islands;

1274 (65) "State agency" has the meaning given to that term in 12 USC
1275 Section 3101, as amended from time to time;

1276 (66) "State branch" has the meaning given to that term in 12 USC
1277 Section 3101, as amended from time to time;

1278 (67) "Subsidiary" has the meaning given to that term in 12 USC
1279 Section 1841(d), as amended from time to time;

1280 (68) "Subsidiary holding company" means a stock holding company,

1281 controlled by a mutual holding company, that holds one hundred per
1282 cent of the stock of a reorganized savings institution;

1283 (69) "Supervisory agency" means: (A) The commissioner; (B) the
1284 Federal Deposit Insurance Corporation; (C) the Resolution Trust
1285 Corporation; (D) the Office of Thrift Supervision; (E) the National
1286 Credit Union Administration; (F) the Board of Governors of the
1287 Federal Reserve System; (G) the United States Comptroller of the
1288 Currency; (H) the Bureau of Consumer Financial Protection; and (I)
1289 any successor to any of the foregoing agencies or individuals;

1290 (70) "System" means the Nationwide Mortgage Licensing System
1291 and Registry, NMLS, NMLSR or such other name or acronym as may
1292 be assigned to the multistate system developed by the Conference of
1293 State Bank Supervisors and the American Association of Residential
1294 Mortgage Regulators and owned and operated by the State Regulatory
1295 Registry, LLC, or any successor or affiliated entity, for the licensing
1296 and registration of persons in the mortgage and other financial services
1297 industries;

1298 [(70)] (71) "Time account" means an account into which time
1299 deposits may be made;

1300 [(71)] (72) "Time deposit" means a deposit that the depositor or
1301 share account holder does not have a right and is not permitted to
1302 make withdrawals from within six days after the date of deposit,
1303 unless the deposit is subject to an early withdrawal penalty of at least
1304 seven days' simple interest on amounts withdrawn within the first six
1305 days after deposit, subject to those exceptions permissible under 12
1306 CFR Part 204, as amended from time to time;

1307 [(72)] (73) "Trust bank" means a Connecticut bank organized to
1308 function solely in a fiduciary capacity; and

1309 [(73)] (74) "Uninsured bank" means a Connecticut bank that does
1310 not accept retail deposits and for which insurance of deposits by the
1311 Federal Deposit Insurance Corporation or its successor agency is not

1312 required.

1313 Sec. 29. Section 36a-3 of the 2014 supplement to the general statutes
1314 is repealed and the following is substituted in lieu thereof (*Effective*
1315 *from passage*):

1316 Other definitions applying to this title or to specified parts thereof
1317 and the sections in which they appear are:

T1 "Account". Sections 36a-155 and 36a-365.

T2 "Additional proceeds". Section 36a-746e.

T3 "Administrative expense". Section 36a-237.

T4 "Advance fee". Sections 36a-485, as amended by this act, and 36a-615.

T5 "Advertise", "advertisement" or "advertising". Section 36a-485, as
T6 amended by this act.

T7 "Agency bank". Section 36a-285.

T8 "Agent". Section 36a-494.

T9 "Alternative mortgage loan". Section 36a-265.

T10 "Amount financed". Section 36a-690.

T11 "Annual percentage rate". Section 36a-690.

T12 "Annual percentage yield". Section 36a-316.

T13 "Annuities". Section 36a-455a.

T14 "Applicant". Section 36a-736.

T15 "APR". Section 36a-746a.

T16 "Assessment area". Section 36a-37.

T17 "Assets". Section 36a-70, as amended by this act.

T18 "Associate". Section 36a-184.

T19 "Associated member". Section 36a-458a.

T20 "Authorized delegate". Section 36a-596.

T21 "Bank". Section 36a-30.

T22 "Bankers' bank". Section 36a-70, as amended by this act.

T23 "Banking business". Section 36a-425.

T24 "Basic services". Section 36a-437a.

T25 "Billing cycle". Section 36a-565.

T26 "Bona fide nonprofit organization". Sections 36a-487, as amended by

- T27 this act, and 36a-655.
- T28 "Branch". Sections 36a-145, as amended by this act, 36a-410 and 36a-
- T29 435b.
- T30 "Branch office". [Section] Sections 36a-485, as amended by this act, and
- T31 36a-715, as amended by this act.
- T32 "Branch or agency net payment entitlement". Section 36a-428n.
- T33 "Branch or agency net payment obligation". Section 36a-428n.
- T34 "Broker". Section 36a-746a.
- T35 "Business and industrial development corporation". Section 36a-626.
- T36 "Business and property in this state". Section 36a-428n.
- T37 "Capital". Section 36a-435b.
- T38 "Cash advance". Section 36a-564.
- T39 "Cash price". Section 36a-770.
- T40 "Certificate of incorporation". Section 36a-435b.
- T41 "CHFA loan". Section 36a-760.
- T42 "Clerical or support duties". Section 36a-485, as amended by this act.
- T43 "Closely related activities". Sections 36a-250 and 36a-455a.
- T44 "Collective managing agency account". Section 36a-365.
- T45 "Commercial vehicle". Section 36a-770.
- T46 "Community bank". Section 36a-70, as amended by this act.
- T47 "Community credit union". Section 36a-37.
- T48 "Community development bank". Section 36a-70, as amended by this
- T49 act.
- T50 "Community reinvestment performance". Section 36a-37.
- T51 "Connecticut holding company". Sections 36a-53 and 36a-410.
- T52 "Consolidate". Section 36a-145, as amended by this act.
- T53 "Construction loan". Section 36a-458a.
- T54 "Consumer". Sections 36a-155, 36a-676 and 36a-695.
- T55 "Consumer Credit Protection Act". Section 36a-676.
- T56 "Consumer debtor" and "debtor". Sections 36a-645 and 36a-800.
- T57 "Consumer collection agency". Section 36a-800.
- T58 "Consummation". Section 36a-746a.
- T59 "Control person". Section 36a-485, as amended by this act.
- T60 "Controlling interest". Section 36a-276.

- T61 "Conventional mortgage rate". Section 36a-760.
- T62 "Corporate". Section 36a-435b.
- T63 "Credit". Sections 36a-645 and 36a-676.
- T64 "Credit manager". Section 36a-435b.
- T65 "Creditor". Sections 36a-676, 36a-695 and 36a-800.
- T66 "Credit card", "cardholder" and "card issuer". Section 36a-676.
- T67 "Credit clinic". Section 36a-700.
- T68 "Credit rating agency". Section 36a-695.
- T69 "Credit report". Section 36a-695.
- T70 "Credit sale". Section 36a-676.
- T71 "Credit union service organization". Section 36a-435b.
- T72 "Credit union service organization services". Section 36a-435b.
- T73 "De novo branch". Section 36a-410.
- T74 "Debt". Section 36a-645.
- T75 "Debt adjustment". Section 36a-655.
- T76 "Debt mutual fund". Sections 36a-275 and 36a-459a.
- T77 "Debt securities". Sections 36a-275 and 36a-459a.
- T78 "Debtor". Section 36a-655.
- T79 "Deliver". Section 36a-316.
- T80 "Deposit". Section 36a-316.
- T81 "Deposit account". Section 36a-316.
- T82 "Deposit account charge". Section 36a-316.
- T83 "Deposit account disclosures". Section 36a-316.
- T84 "Deposit contract". Section 36a-316.
- T85 "Deposit services". Section 36a-425.
- T86 "Depositor". Section 36a-316.
- T87 "Depository institution". Section 36a-485, as amended by this act.
- T88 "Derivative transaction". Section 36a-262.
- T89 "Director". Section 36a-435b.
- T90 "Dwelling". Section 36a-485, as amended by this act.
- T91 "Earning period". Section 36a-316.
- T92 "Electronic payment instrument". Section 36a-596.
- T93 "Eligible collateral". Section 36a-330.
- T94 "Eligible entity". Section 36a-34.

- T95 "Employee". Section 36a-485, as amended by this act.
- T96 "Entity". Section 36a-380, as amended by this act.
- T97 "Equity mutual fund". Sections 36a-276 and 36a-459a.
- T98 "Equity security". Sections 36a-276 and 36a-459a.
- T99 "Executive officer". Sections 36a-263 and 36a-469c.
- T100 "Expedited Connecticut bank". Section 36a-70, as amended by this act.
- T101 "Experience in the mortgage business". Section 36a-488.
- T102 "Federal banking agency". Section 36a-485, as amended by this act.
- T103 "Federal Credit Union Act". Section 36a-435b.
- T104 "Federal Home Mortgage Disclosure Act". Section 36a-736.
- T105 "FHA loan". Section 36a-760.
- T106 "Fiduciary". Section 36a-365.
- T107 "Filing fee". Section 36a-770.
- T108 "Finance charge". Sections 36a-690 and 36a-770.
- T109 "Financial institution". Sections 36a-41, 36a-44a, 36a-155, 36a-316,
- T110 36a-330, 36a-435b, 36a-736 and 36a-755.
- T111 "Financial records". Section 36a-41.
- T112 "First mortgage loan". Sections 36a-485, as amended by this act, 36a-705
- T113 and 36a-725.
- T114 "Foreign banking corporation". Section 36a-425.
- T115 "Fully indexed rate". Section 36a-760b.
- T116 "General facility". Section 36a-580.
- T117 "Global net payment entitlement". Section 36a-428n.
- T118 "Global net payment obligation". Section 36a-428n.
- T119 "Goods". Sections 36a-535 and 36a-770.
- T120 "Graduated payment mortgage loan". Section 36a-265.
- T121 "Guardian". Section 36a-365.
- T122 "High cost home loan". Section 36a-746a.
- T123 "Holder". Section 36a-596.
- T124 "Home banking services". Section 36a-170.
- T125 "Home banking terminal". Section 36a-170.
- T126 "Home improvement loan". Section 36a-736.
- T127 "Home purchase loan". Section 36a-736.
- T128 "Home state". Section 36a-410.

- T129 "Housing finance agency". Section 36a-487, as amended by this act.
- T130 "Immediate family member". Sections 36a-435b and 36a-485, as
- T131 amended by this act.
- T132 "Independent contractor". Section 36a-485, as amended by this act.
- T133 "Individual". Section 36a-485, as amended by this act.
- T134 "Insider". Section 36a-454b.
- T135 "Installment loan contract". Sections 36a-535 and 36a-770.
- T136 "Insurance". Section 36a-455a.
- T137 "Insurance bank". Section 36a-285.
- T138 "Insurance department". Section 36a-285.
- T139 "Interest". Section 36a-316.
- T140 "Interest rate". Section 36a-316.
- T141 "Interim interest". Section 36a-746a.
- T142 "Investments". Section 36a-602.
- T143 "Lender". Sections 36a-746a, 36a-760 and 36a-770.
- T144 "Lessor". Section 36a-676.
- T145 "License". Section 36a-626.
- T146 "Licensee". Sections 36a-596, 36a-607 and 36a-626.
- T147 "Limited branch". Section 36a-145, as amended by this act.
- T148 "Limited facility". Section 36a-580.
- T149 "Loan broker". Section 36a-615.
- T150 "Loan processor or underwriter". Section 36a-485, as amended by this
- T151 act.
- T152 "Loss". Section 36a-330.
- T153 "Made in this state". Section 36a-770.
- T154 "Main office". Section 36a-485, as amended by this act.
- T155 "Managing agent". Section 36a-365.
- T156 "Manufactured home". Section 36a-457b.
- T157 "Material litigation". Section 36a-598.
- T158 "Member". Section 36a-435b.
- T159 "Member business loan". Section 36a-458a.
- T160 "Member in good standing". Section 36a-435b.
- T161 "Membership share". Section 36a-435b.
- T162 "Mobile branch". Sections 36a-145, as amended by this act, and 36a-

- T163 435b.
- T164 "Monetary value". Section 36a-596.
- T165 "Money transmission". Section 36a-596.
- T166 "Mortgage". Section 36a-760g.
- T167 "Mortgage broker". Sections 36a-485, as amended by this act, 36a-705
- T168 and 36a-760.
- T169 "Mortgage correspondent lender". Section 36a-485, as amended by this
- T170 act.
- T171 "Mortgage insurance". Section 36a-725.
- T172 "Mortgage lender". Sections 36a-485, as amended by this act, 36a-705
- T173 and 36a-725.
- T174 "Mortgage loan". Sections 36a-261, 36a-265, 36a-457b and 36a-736.
- T175 "Mortgage loan originator". Section 36a-485, as amended by this act.
- T176 "Mortgage rate lock-in". Section 36a-705.
- T177 ["Mortgage servicing company". Section 36a-715.]
- T178 "Mortgage servicer". Section 36a-715, as amended by this act.
- T179 "Mortgagee". Section 36a-715, as amended by this act.
- T180 "Mortgagor". Section 36a-715, as amended by this act.
- T181 "Motor vehicle". Section 36a-770.
- T182 "Multiple common bond membership". Section 36a-435b.
- T183 "Municipality". Section 36a-800.
- T184 "Net outstanding member business loan balance". Section 36a-458a.
- T185 "Net worth". Sections 36a-441a and 36a-458a.
- T186 "Network". Section 36a-155.
- T187 "Nonprime home loan". Section 36a-760.
- T188 "Nonrefundable". Section 36a-498.
- T189 "Nontraditional mortgage product". Section 36a-489a, as amended by
- T190 this act.
- T191 "Note account". Sections 36a-301 and 36a-456b.
- T192 "Office". Sections 36a-23, 36a-316 and 36a-485, as amended by this act.
- T193 "Officer". Section 36a-435b.
- T194 "Open-end credit plan". Section 36a-676.
- T195 "Open-end line of credit". Section 36a-760.
- T196 "Open-end loan". Section 36a-565.

- T197 "Organization". Section 36a-800.
- T198 "Out-of-state holding company". Section 36a-410.
- T199 "Outstanding". Section 36a-596.
- T200 "Passbook savings account". Section 36a-316.
- T201 "Payment instrument". Section 36a-596.
- T202 "Periodic statement". Section 36a-316.
- T203 "Permissible investment". Section 36a-596.
- T204 "Person". Sections 36a-184 and 36a-485, as amended by this act.
- T205 "Post". Section 36a-316.
- T206 "Prepaid finance charge". Section 36a-746a.
- T207 "Prime quality". Section 36a-596.
- T208 "Principal amount of the loan". Section 36a-485, as amended by this act.
- T209 "Processor". Section 36a-155.
- T210 "Public deposit". Section 36a-330.
- T211 "Purchaser". Section 36a-596.
- T212 "Qualified financial contract". Section 36a-428n.
- T213 "Qualified public depository" and "depository". Section 36a-330.
- T214 "Real estate". Section 36a-457b.
- T215 "Real estate brokerage activity". Section 36a-485, as amended by this
- T216 act.
- T217 "Records". Section 36a-17, as amended by this act.
- T218 "Registered mortgage loan originator". Section 36a-485, as amended by
- T219 this act.
- T220 "Related person". Section 36a-53.
- T221 "Relocate". Sections 36a-145, as amended by this act, and 36a-462a.
- T222 "Residential mortgage loan". [Sections] Section 36a-485, as amended by
- T223 this act. [and 36a-715.]
- T224 "Residential real estate". Section 36a-485, as amended by this act.
- T225 "Resulting entity". Section 36a-34.
- T226 "Retail buyer". Sections 36a-535 and 36a-770.
- T227 "Retail credit transaction". Section 42-100b.
- T228 "Retail installment contract". Sections 36a-535 and 36a-770.
- T229 "Retail installment sale". Sections 36a-535 and 36a-770.
- T230 "Retail seller". Sections 36a-535 and 36a-770.

- T231 "Reverse annuity mortgage loan". Section 36a-265.
- T232 "Sales finance company". Sections 36a-535 and 36a-770.
- T233 "Savings department". Section 36a-285.
- T234 "Savings deposit". Section 36a-316.
- T235 "Secondary mortgage loan". Section 36a-485, as amended by this act.
- T236 "Security convertible into a voting security". Section 36a-184.
- T237 "Senior management". Section 36a-435b.
- T238 "Settlement agent". Section 36a-494.
- T239 "Share". Section 36a-435b.
- T240 "Simulated check". Section 36a-485, as amended by this act.
- T241 "Single common bond membership". Section 36a-435b.
- T242 "Special mortgage". Section 36a-760c.
- T243 "Social purpose investment". Section 36a-277.
- T244 "Sponsored". Section 36a-485, as amended by this act.
- T245 "Standard mortgage loan". Section 36a-265.
- T246 "Stored value". Section 36a-596.
- T247 ["System". Section 36a-485.]
- T248 "Table funding agreement". Section 36a-485, as amended by this act.
- T249 "Tax and loan account". Sections 36a-301 and 36a-456b.
- T250 "The Savings Bank Life Insurance Company". Section 36a-285.
- T251 "Time account". Section 36a-316.
- T252 "Travelers check". Section 36a-596.
- T253 "Troubled Connecticut credit union". Section 36a-448a.
- T254 "Unique identifier". Section 36a-485, as amended by this act.
- T255 "Unsecured loan". Section 36a-615.
- T256 "Value". Section 36a-603.
- T257 "Warehouse agreement". Section 36a-485, as amended by this act.

1318 Sec. 30. Section 36a-485 of the general statutes is repealed and the
1319 following is substituted in lieu thereof (*Effective from passage*):

1320 As used in this section and sections 36a-486 to 36a-498f, inclusive, as
1321 amended by this act, 36a-534a to 36a-534c, inclusive, unless the context
1322 otherwise requires:

1323 (1) "Advance fee" means any consideration paid or given, directly or

1324 indirectly, to a mortgage lender, mortgage correspondent lender or
1325 mortgage broker required to be licensed pursuant to sections 36a-485
1326 to 36a-498f, inclusive, as amended by this act, and sections 36a-534a
1327 and 36a-534b, as amended by this act, prior to the closing of a
1328 residential mortgage loan to any person, including, but not limited to,
1329 loan fees, points, broker's fees or commissions, transaction fees or
1330 similar prepaid finance charges;

1331 (2) "Advertise", "advertisement" or "advertising" means the use of
1332 any announcement, statement, assertion or representation that is
1333 placed before the public in a newspaper, magazine or other
1334 publication, or in the form of a notice, circular, pamphlet, letter or
1335 poster or over any radio or television station, by means of the Internet,
1336 or by other electronic means of distributing information, by personal
1337 contact, or in any other way;

1338 (3) "Branch office" means a location other than the main office at
1339 which a licensee or any person on behalf of a licensee acts as a
1340 mortgage lender, mortgage correspondent lender, [or] mortgage
1341 broker or mortgage loan originator;

1342 (4) "Control person" means an individual that directly or indirectly
1343 exercises control over another person. Any person that (A) is a
1344 director, general partner or executive officer; (B) directly or indirectly
1345 has the right to vote ten per cent or more of a class of any voting
1346 security or has the power to sell or direct the sale of ten per cent or
1347 more of any class of voting securities; (C) in the case of a limited
1348 liability company, is a managing member; or (D) in the case of a
1349 partnership, has the right to receive upon dissolution, or has
1350 contributed, ten per cent or more of the capital, is presumed to be a
1351 control person. For purposes of this subdivision, "control" means the
1352 power, directly or indirectly, to direct the management or policies of a
1353 company, whether through ownership of securities, by contract or
1354 otherwise;

1355 (5) "Depository institution" has the same meaning as provided in

1356 Section 3 of the Federal Deposit Insurance Act, 12 USC 1813, and
1357 includes any Connecticut credit union, federal credit union or out-of-
1358 state credit union;

1359 (6) "Dwelling" has the same meaning as provided in Section 103 of
1360 the Consumer Credit Protection Act, 15 USC 1602;

1361 (7) "Employee" means an individual (A) whose manner and means
1362 of work performance are subject to the right of control of, or are
1363 controlled by, a person, and (B) whose compensation is reported or
1364 required to be reported on a W-2 form issued by the controlling
1365 person. For purposes of the definition of "registered mortgage loan
1366 originator", "employee" has the foregoing meaning or such other
1367 meaning as the federal banking agencies may issue in connection with
1368 such agencies' implementation of such agencies' responsibilities under
1369 the S.A.F.E. Mortgage Licensing Act of 2008, 12 USC 5101 et seq.;

1370 (8) "Federal banking agency" means the Board of Governors of the
1371 Federal Reserve System, the Comptroller of the Currency, the Director
1372 of the Office of Thrift Supervision, the National Credit Union
1373 Administration and the Federal Deposit Insurance Corporation;

1374 (9) "First mortgage loan" means a residential mortgage loan that is
1375 secured by a first mortgage;

1376 (10) "Immediate family member" means a spouse, child, sibling,
1377 parent, grandparent or grandchild and includes stepparents,
1378 stepchildren, stepsiblings and adoptive relationships;

1379 (11) "Independent contractor" means an individual retained on a
1380 basis where the individual is not an employee of any person in
1381 connection with the services such individual provides and whose
1382 compensation is reported or required to be reported on an Internal
1383 Revenue Service Form 1099 issued by the retaining person;

1384 (12) "Individual" means a natural person;

1385 (13) "Loan processor or underwriter" means an individual who
1386 performs clerical or support duties. The term "clerical or support
1387 duties" includes, subsequent to the receipt of an application, (A) the
1388 receipt, collection, distribution and analysis of information common
1389 for the processing or underwriting of a residential mortgage loan, and
1390 (B) communication with a consumer to obtain the information
1391 necessary for the processing or underwriting of a loan to the extent
1392 that such communication does not include offering or negotiating loan
1393 rates or terms or counseling consumers about residential mortgage
1394 loan rates or terms;

1395 (14) "Main office" means the main address designated on the
1396 system;

1397 (15) "Mortgage broker" (A) means a person who (i) for
1398 compensation or gain or with the expectation of compensation or gain
1399 (I) takes a residential mortgage loan application, or (II) offers or
1400 negotiates terms of a residential mortgage loan, and (ii) is not the
1401 prospective source of the funds for the residential mortgage loan, and
1402 (B) [but] does not include (i) an individual who is licensed as a
1403 mortgage loan originator acting as a mortgage loan originator on
1404 behalf of such mortgage loan originator's sponsoring mortgage lender,
1405 mortgage correspondent lender, mortgage broker or exempt registrant,
1406 or (ii) an individual exempt from mortgage loan originator licensure
1407 under subdivision (2) of subsection (b) of section 36a-486, as amended
1408 by this act, when acting within the scope of such exemption;

1409 (16) "Mortgage correspondent lender" means a person engaged in
1410 the business of making residential mortgage loans in such person's
1411 own name where the loans are not held by such person for more than
1412 ninety days and are funded by another person through a warehouse
1413 agreement, table funding agreement or similar agreement;

1414 (17) "Mortgage lender" means a person engaged in the business of
1415 making residential mortgage loans in such person's own name
1416 utilizing such person's own funds or by funding loans through a

1417 warehouse agreement, table funding agreement or similar agreement;

1418 (18) "Mortgage loan originator" means an individual who for
1419 compensation or gain or with the expectation of compensation or gain,
1420 either for such individual or for the person employing or retaining
1421 such individual, (A) takes a residential mortgage loan application, or
1422 (B) offers or negotiates terms of a residential mortgage loan. "Mortgage
1423 loan originator" does not include (i) an individual engaged solely as a
1424 loan processor or underwriter; (ii) a person who only performs real
1425 estate brokerage activities and is licensed in accordance with chapter
1426 392, unless the person is compensated by a mortgage lender, mortgage
1427 correspondent lender, mortgage broker or other mortgage loan
1428 originator or by any agent of such mortgage lender, mortgage
1429 correspondent lender, mortgage broker or other mortgage loan
1430 originator; (iii) a person solely involved in extensions of credit relating
1431 to timeshare plans, as that term is defined in Paragraph 53D of 11 USC
1432 101; or (iv) any individual who solely renegotiates terms for existing
1433 mortgage loans on behalf of a mortgagee and who does not otherwise
1434 act as a mortgage loan originator, unless the United States Department
1435 of Housing and Urban Development, the Bureau of Consumer
1436 Financial Protection or a court of competent jurisdiction determines
1437 that the S.A.F.E. Mortgage Licensing Act of 2008, 12 USC Section 5101
1438 et seq., requires such individual to be licensed as a mortgage loan
1439 originator under state laws implementing said S.A.F.E. Mortgage
1440 Licensing Act;

1441 (19) "Office" means a branch office or a main office;

1442 (20) "Person" means a natural person, corporation, company, limited
1443 liability company, partnership or association;

1444 (21) "Principal amount of the loan" means the gross amount the
1445 borrower is obligated to repay including any prepaid finance charge
1446 that is financed, and any other charge that is financed;

1447 (22) "Real estate brokerage activity" means any activity that involves

1448 offering or providing real estate brokerage services to the public,
1449 including (A) acting as a real estate agent or real estate broker for a
1450 buyer, seller, lessor or lessee of real property; (B) bringing together
1451 parties interested in the sale, purchase, lease, rental or exchange of real
1452 property; (C) negotiating, on behalf of any party, any portion of a
1453 contract relating to the sale, purchase, lease, rental or exchange of real
1454 property, other than in connection with providing financing with
1455 respect to any such transaction; (D) engaging in any activity for which
1456 a person engaged in the activity is required to be registered or licensed
1457 as a real estate agent or real estate broker under any applicable law;
1458 and (E) offering to engage in any activity, or act in any capacity,
1459 described in this subdivision;

1460 (23) "Registered mortgage loan originator" means any individual
1461 who (A) meets the definition of mortgage loan originator and is an
1462 employee of a depository institution, a subsidiary that is owned and
1463 controlled by a depository institution and regulated by a federal
1464 banking agency, or an institution regulated by the Farm Credit
1465 Administration; and (B) is registered with and maintains a unique
1466 identifier through the system;

1467 (24) "Residential mortgage loan" means any loan primarily for
1468 personal, family or household use that is secured by a mortgage, deed
1469 of trust or other equivalent consensual security interest on a dwelling
1470 or residential real estate upon which is constructed or intended to be
1471 constructed a dwelling;

1472 (25) "Residential real estate" means any real property located in this
1473 state, upon which is constructed or intended to be constructed a
1474 dwelling;

1475 (26) "Secondary mortgage loan" means a residential mortgage loan
1476 that is secured, in whole or in part, by a mortgage, provided such
1477 property is subject to one or more prior mortgages;

1478 (27) "Simulated check" means a document that imitates or resembles

1479 a check but is not a negotiable instrument;

1480 (28) "Sponsored" means employed or retained as an independent
1481 contractor;

1482 [(29) "System" means the Nationwide Mortgage Licensing System
1483 and Registry developed and maintained by the Conference of State
1484 Bank Supervisors and the American Association of Residential
1485 Mortgage Regulators for the licensing and registration of mortgage
1486 lenders, mortgage correspondent lenders, mortgage brokers, mortgage
1487 loan originators and loan processors or underwriters;]

1488 [(30)] (29) "Table funding agreement" means an agreement wherein
1489 a person agrees to fund mortgage loans to be made in another person's
1490 name and to purchase such loans after they are made;

1491 [(31)] (30) "Unique identifier" means a number or other identifier
1492 assigned by protocols established by the system; and

1493 [(32)] (31) "Warehouse agreement" means an agreement to provide
1494 credit to a person to enable the person to have funds to make
1495 residential mortgage loans and hold such loans pending sale to other
1496 persons.

1497 Sec. 31. Section 36a-21 of the 2014 supplement to the general statutes
1498 is repealed and the following is substituted in lieu thereof (*Effective*
1499 *from passage*):

1500 (a) Notwithstanding any provision of state law and except as
1501 provided in subsections (b) and (d) of this section and subdivision (2)
1502 of subsection (a) of section 36a-534b, as amended by this act, the
1503 following records of the Department of Banking shall not be disclosed
1504 by the commissioner or any employee of the Department of Banking,
1505 or be subject to public inspection or discovery:

1506 (1) Examination and investigation reports and information
1507 contained in or derived from such reports, including examination

1508 reports prepared by the commissioner or prepared on behalf of or for
1509 the use of the commissioner;

1510 (2) Confidential supervisory or investigative information obtained
1511 from a state, federal or foreign regulatory or law enforcement agency;

1512 (3) Information obtained, collected or prepared in connection with
1513 examinations, inspections or investigations, and complaints from the
1514 public received by the Department of Banking, if such records are
1515 protected from disclosure under federal or state law or, in the opinion
1516 of the commissioner, such records would disclose, or would
1517 reasonably lead to the disclosure of: (A) Investigative information the
1518 disclosure of which would be prejudicial to such investigation, until
1519 such time as the investigation and all related administrative and legal
1520 actions are concluded; (B) personal or financial information, including
1521 account or loan information, without the written consent of the person
1522 or persons to whom the information pertains; or (C) information that
1523 would harm the reputation of any person or affect the safety and
1524 soundness of any person whose activities in this state are subject to the
1525 supervision of the commissioner, and the disclosure of such
1526 information under this subparagraph would not be in the public
1527 interest; and

1528 (4) Information obtained, collected or prepared in connection with
1529 the organization of an expedited Connecticut bank prior to the
1530 issuance of a final certificate of authority to commence the business of
1531 a Connecticut bank pursuant to section 36a-70, as amended by this act.

1532 (b) The commissioner may, without waiving any privilege, disclose
1533 the records described in subsection (a) of this section for any
1534 appropriate supervisory, governmental, law enforcement or other
1535 public purpose. Any such disclosure shall be made under safeguards
1536 designed to prevent further dissemination of such records. In any
1537 proceeding before a court, the court may issue a protective order in
1538 appropriate circumstances to protect the confidentiality of any such
1539 record and order that any such record on file with the court or filed in

1540 connection with the court proceeding be sealed and that the public be
1541 excluded from any portion of the proceeding at which any such record
1542 is disclosed.

1543 (c) No director, officer, employee or agent of any Connecticut bank,
1544 Connecticut credit union or licensee under section 36a-380, as
1545 amended by this act, or 36a-628, as amended by this act, shall disclose
1546 without the prior written consent of the commissioner any information
1547 contained in an examination report about such bank, credit union or
1548 licensee which information is not otherwise a matter of public record.

1549 [(d) (1) The provisions of subsections (a) and (b) of this section shall
1550 not apply to the disclosure of any record provided to or maintained by
1551 the commissioner with the system. Except as otherwise provided in
1552 Section 1512 of the federal S.A.F.E. Mortgage Licensing Act of 2008,
1553 any requirements under federal law or any law of this state, including
1554 this section and chapter 14 and any privilege arising under federal law
1555 or any law of this state, including the rules of any federal court or
1556 court of this state that protect the disclosure of any record provided to
1557 or maintained with the system, shall continue to apply to such record
1558 after it has been disclosed to the system. Such record may be shared
1559 with all state and federal regulatory officials that have oversight
1560 authority over the mortgage industry without the loss of privilege or
1561 the loss of confidentiality protections provided by federal law or the
1562 laws of this state.]

1563 (d) (1) Except as otherwise provided in this section, the
1564 requirements under any federal or state law regarding the privacy or
1565 confidentiality of any information or material provided to the system,
1566 as defined in section 36a-2, as amended by this act, and any privilege
1567 arising under federal or state law, including the rules of any federal or
1568 state court, with respect to such information or material, shall continue
1569 to apply to such information or material after the information or
1570 material has been disclosed to the system. Such information and
1571 material may be shared with all federal and state regulatory officials
1572 with mortgage or other financial services industry oversight authority

1573 without the loss of privilege or the loss of confidentiality protection
1574 provided by federal or state law. For purposes of this subsection, the
1575 commissioner may enter into agreements or sharing arrangements
1576 with other governmental agencies, the Conference of State Bank
1577 Supervisors, the American Association of Residential Mortgage
1578 Regulators or associations representing governmental agencies.

1579 (2) Any information or material that is [protected from disclosure]
1580 under subdivision (1) of this subsection subject to privilege or
1581 confidentiality shall not be subject to (A) disclosure under any federal
1582 or state law governing disclosure to the public of information held by
1583 an officer or agency of the federal government or the respective state;
1584 or (B) subpoena, discovery or admission into evidence in any private
1585 civil action or administrative process, except a person may, at such
1586 person's discretion, waive in whole or in part a privilege held by the
1587 system concerning such information and material.

1588 (3) Any law of this state relating to the disclosure of confidential
1589 supervisory information or of any information or material described in
1590 subdivision (1) of this subsection that is inconsistent with subdivision
1591 (1) shall be superseded by the requirements of this subsection.

1592 (e) The confidentiality provisions of this section shall not apply to
1593 records relating to the employment history of, and publicly
1594 adjudicated disciplinary and enforcement actions against, [mortgage
1595 loan originators or loan processors or underwriters] persons that are
1596 included in the system for access by the public.

1597 [(f) For purposes of this section, "system" has the same meaning as
1598 provided in section 36a-485.]

1599 Sec. 32. Subsection (c) of section 36a-51 of the general statutes is
1600 repealed and the following is substituted in lieu thereof (*Effective from*
1601 *passage*):

1602 (c) Any licensee may surrender any license issued by the
1603 commissioner under any provision of the general statutes by

1604 surrendering the license to the commissioner in person or by
1605 registered or certified mail, provided, in the case of a license issued
1606 [pursuant to part I of chapter 668] through the system, as defined in
1607 section 36a-2, as amended by this act, such surrender shall be initiated
1608 by filing a request to surrender on the system. [, as defined in section
1609 36a-485, in accordance with section 36a-490.] No surrender on the
1610 system shall be effective until the request to surrender is accepted by
1611 the commissioner. Surrender of a license shall not affect the licensee's
1612 civil or criminal liability, or affect the commissioner's ability to impose
1613 an administrative penalty on the licensee pursuant to section 36a-50 for
1614 acts committed prior to the surrender. If, prior to receiving the license,
1615 or, in the case of a license issued [pursuant to part I of chapter 668,]
1616 through the system prior to the filing of a request to surrender a
1617 license, [under section 36a-490,] the commissioner has instituted a
1618 proceeding to suspend, revoke or refuse to renew such license, such
1619 surrender or request to surrender will not become effective except at
1620 such time and under such conditions as the commissioner by order
1621 determines. If no proceeding is pending or has been instituted by the
1622 commissioner at the time of surrender, or, in the case of a license
1623 issued [pursuant to part I of chapter 668] through the system, at the
1624 time a request to surrender is filed, the commissioner may still institute
1625 a proceeding to suspend, revoke or refuse to renew a license under
1626 subsection (a) of this section up to the date one year after the date of
1627 receipt of the license by the commissioner, or, in the case of a license
1628 issued [pursuant to part I of chapter 668] through the system, up to the
1629 date one year after the date of the acceptance by the commissioner of a
1630 request to surrender a license. [under section 36a-490.]

1631 Sec. 33. (NEW) (*Effective October 1, 2014*) (a) In addition to any other
1632 duties imposed upon the Banking Commissioner by law, the
1633 commissioner is authorized to require persons engaged in a financial
1634 services industry subject to the commissioner's jurisdiction to be
1635 licensed or registered through the system, as defined in section 36a-2
1636 of the general statutes, as amended by this act.

1637 (b) In the event the commissioner elects to require system-based
1638 licensure for persons engaged in a financial services industry subject to
1639 the commissioner's jurisdiction, the commissioner shall require all
1640 initial or renewal applications for such licenses or registrations in this
1641 state to be made and processed through the system in such form as the
1642 commissioner may prescribe, and the system shall be authorized to
1643 receive and maintain records related to such licenses or registrations to
1644 the same extent allowed or required to be maintained by the
1645 commissioner. For this purpose, the commissioner may establish
1646 requirements by order as necessary for participation in the system,
1647 including, but not limited to: (1) Background checks, including in the
1648 case of any form of business organization, checks on the individuals
1649 comprising the ownership or management of such organization, for
1650 criminal history through (A) fingerprint submission to the Federal
1651 Bureau of Investigation or other state, national or international
1652 criminal databases, (B) civil, criminal or administrative records from
1653 any governmental jurisdiction, (C) credit history, including an
1654 independent credit report obtained from a consumer reporting agency
1655 described in Section 603(p) of the Fair Credit Reporting Act, 15 USC
1656 1681a, or (D) any other information as deemed necessary by the
1657 system; (2) the payment of fees to apply for or renew licenses or
1658 registrations through the system; (3) the setting or resetting of license
1659 expiration, renewal or transition dates or reporting dates or forms; and
1660 (4) the requirements for amending or surrendering a license or any
1661 other such activities as the commissioner deems necessary for
1662 participation in the system. Such information may thereafter be used
1663 by the commissioner to determine an applicant's eligibility for
1664 licensing under applicable law and any order issued by the
1665 commissioner pursuant to this section. For the purpose of participating
1666 in the system, the commissioner may by order waive or modify, in
1667 whole or in part, any applicable requirement of title 36a of the general
1668 statutes and establish new requirements as reasonably necessary. For
1669 the purpose of implementing an orderly and efficient licensing
1670 process, the commissioner may adopt licensing regulations, in
1671 accordance with the provisions of chapter 54 of the general statutes,

1672 and interim procedures for licensing and acceptance of applications.

1673 (c) In the event the commissioner elects to require system-based
1674 licensure for persons engaged in financial services industries subject to
1675 the commissioner's jurisdiction, the commissioner may report
1676 regularly to the system violations of and enforcement actions under
1677 applicable law and other relevant information. The commissioner may
1678 establish relationships or enter into contracts with the system or other
1679 entities designated by the system to collect and maintain records and
1680 process transaction fees or other fees related to licensees or other
1681 persons required or permitted to be licensed or registered on the
1682 system.

1683 (d) To reduce the points of contact that the commissioner or the
1684 Federal Bureau of Investigation may have to maintain for purposes of
1685 title 36a of the general statutes, the commissioner may use the system
1686 as a channeling agent for requesting information from and distributing
1687 information to the United States Department of Justice, any
1688 governmental agency or any other source as directed by the
1689 commissioner.

1690 (e) A person required or permitted to be licensed or registered on
1691 the system may challenge information entered into the system by the
1692 commissioner. Such challenge shall (1) be made in writing to the
1693 commissioner, (2) set forth the specific information being challenged,
1694 and (3) include any evidence which supports the challenge. A
1695 challenge shall be limited to the factual accuracy of information within
1696 the system. If the commissioner determines that the information
1697 entered into the system is factually inaccurate, the commissioner shall
1698 take prompt action to correct such information. Nothing in this
1699 subsection shall be construed to permit a challenge under this section
1700 to the merits or factual basis of any administrative action taken by the
1701 commissioner pursuant to title 36a of the general statutes.

1702 (f) A person making any filing or submission of any information on
1703 the system shall do so in accordance with the procedures and

1704 requirements of the system and shall pay applicable fees or charges to
1705 the system. Each person required to obtain registration or licensure
1706 through the system shall timely submit to the system accurate reports
1707 that shall be in such form and contain such information as the system
1708 may require.

1709 (g) All fees paid for any initial application for a license or
1710 registration or for a renewal application for a license or registration,
1711 including, but not limited to, fees paid in connection with an
1712 application that is denied or withdrawn prior to the issuance of the
1713 license or registration, shall be nonrefundable. No fee shall be prorated
1714 if the license or registration is surrendered, revoked or suspended
1715 prior to the expiration of the period for which it was approved.

1716 (h) The commissioner may automatically suspend a license or
1717 registration of a person on the system if such person receives a
1718 deficiency on the system indicating that a required payment was
1719 Returned-ACH or returned pursuant to any other term as may be
1720 utilized by the system to indicate that payment was not accepted. After
1721 a license or registration has been automatically suspended pursuant to
1722 this subsection, the commissioner shall give such licensee or registrant
1723 notice of the automatic suspension, pending proceedings for
1724 revocation or refusal to renew and an opportunity for a hearing on
1725 such action in accordance with section 36a-51 of the general statutes, as
1726 amended by this act, and require such licensee to take or refrain from
1727 taking such action that, in the opinion of the commissioner, will
1728 effectuate the purposes of this subsection.

1729 (i) The commissioner may deem an application for a license or
1730 registration on the system abandoned if the applicant fails to respond
1731 to any request for required information. The commissioner shall notify
1732 the applicant on the system that if such information is not submitted
1733 within sixty days of the date of such request the application shall be
1734 deemed abandoned. An application filing fee paid prior to the date an
1735 application is deemed abandoned pursuant to this subsection shall not
1736 be refunded. Abandonment of an application pursuant to this

1737 subsection shall not preclude the applicant from submitting a new
1738 application for a license or registration.

1739 (j) The commissioner may issue a temporary order to cease business
1740 under a license or registration if the commissioner determines that
1741 such license or registration was issued erroneously. The commissioner
1742 shall give the licensee an opportunity for a hearing on such action in
1743 accordance with section 36a-52 of the general statutes. Such temporary
1744 order shall become effective upon receipt by the licensee and, unless
1745 set aside or modified by a court, shall remain in effect until the
1746 effective date of a permanent order or dismissal of the matters asserted
1747 in the notice.

1748 Sec. 34. Subdivision (2) of subsection (b) of section 36a-486 of the
1749 general statutes is repealed and the following is substituted in lieu
1750 thereof (*Effective October 1, 2014*):

1751 (2) The following are exempt from this section: (A) A registered
1752 mortgage loan originator or an employee of an institution or
1753 subsidiary described in subdivision (23) of section 36a-485, as
1754 amended by this act, who is not required to be registered under
1755 Section 1507 of the S.A.F.E. Mortgage Licensing Act of 2008, 12 USC
1756 Section 5101 et seq., when acting for such institution or subsidiary; (B)
1757 an individual who offers or negotiates the terms of a residential
1758 mortgage loan with or on behalf of an immediate family member of
1759 such individual; (C) an individual who offers or negotiates the terms of
1760 a residential mortgage loan secured by a dwelling that served as the
1761 individual's residence, unless the context demonstrates that such
1762 individual engaged in such activities with a degree of habitualness or
1763 repetition; (D) a Connecticut licensed attorney who negotiates the
1764 terms of a residential mortgage loan on behalf of a client as an ancillary
1765 matter to the attorney's representation of the client, unless the attorney
1766 is compensated by a mortgage lender, mortgage correspondent lender,
1767 mortgage broker or other mortgage loan originator or by any agent of
1768 such mortgage lender, mortgage correspondent lender, mortgage
1769 broker or other mortgage loan originator; (E) an individual who takes

1770 a residential mortgage loan application or offers or negotiates terms of
1771 a residential mortgage loan as an employee of a federal, state or local
1772 government agency or housing finance agency exempt from licensure
1773 pursuant to section 36a-487, as amended by this act, and who does so
1774 only pursuant to such individual's official duties as an employee of
1775 such agency; (F) an individual who takes a residential mortgage loan
1776 application or offers or negotiates terms of a residential mortgage loan
1777 as an employee of an organization that has obtained bona fide
1778 nonprofit status from the commissioner and is exempt from licensure
1779 pursuant to section 36a-487, as amended by this act, and who does so
1780 only pursuant to such individual's official duties as an employee of
1781 such organization; and (G) an individual who offers or negotiates the
1782 terms of a residential mortgage loan secured by a dwelling that is not
1783 the individual's residence but is owned by such individual, unless the
1784 context demonstrates that such individual engaged in such activities
1785 with a degree of habitualness or repetition.

1786 Sec. 35. Subdivision (10) of section 36a-498e of the general statutes is
1787 repealed and the following is substituted in lieu thereof (*Effective*
1788 *October 1, 2014*):

1789 (10) Negligently make any false statement or knowingly and
1790 wilfully make any omission of material fact in connection with any
1791 information or reports filed with a governmental agency or the system,
1792 as defined in section [36a-485] 36a-2, as amended by this act, or in
1793 connection with any investigation conducted by the [Banking
1794 Commissioner] commissioner or another governmental agency;

1795 Sec. 36. Section 36a-489a of the general statutes is repealed and the
1796 following is substituted in lieu thereof (*Effective October 1, 2014*):

1797 (a) (1) In order to meet the prelicensing education and testing
1798 requirements referred to in sections 36a-488 and 36a-489, an individual
1799 shall complete at least [twenty] twenty-one hours of education
1800 approved in accordance with subdivision (2) of this subsection, which
1801 shall include at least (A) three hours of instruction on relevant federal

1802 law and regulations; (B) three hours of ethics, including instruction on
1803 fraud, consumer protection and fair lending issues; [and] (C) two
1804 hours of training related to lending standards for the nontraditional
1805 mortgage product marketplace; and (D) one hour of relevant
1806 Connecticut law.

1807 (2) For purposes of subdivision (1) of this subsection, prelicensing
1808 education courses shall be reviewed and approved by the system
1809 based upon reasonable standards. Review and approval of a
1810 prelicensing education course shall include review and approval of the
1811 course provider.

1812 (3) Nothing in this subsection shall preclude any prelicensing
1813 education course, as approved by the system, that is provided by the
1814 sponsor or employer of the individual or an entity which is affiliated
1815 with the individual by an agency contract, or any subsidiary or affiliate
1816 of such sponsor, employer or entity.

1817 (4) Prelicensing education may be offered either in a classroom,
1818 online or by any other means approved by the system.

1819 (5) When prelicensing education requirements described in
1820 subdivision (1) of this subsection are completed in another state, such
1821 out-of-state prelicensing education requirements shall be accepted as
1822 credit towards completion of the prelicensing education requirements
1823 of this state, provided such out-of-state prelicensing education
1824 requirements are approved by the system.

1825 (6) (A) An individual previously licensed under section 36a-489,
1826 subsequent to the applicable effective date of the prelicensing and
1827 testing requirements referred to in section 36a-489, who is applying to
1828 be relicensed shall prove that such individual has completed all of the
1829 continuing education requirements for the year in which the license
1830 was last held.

1831 (B) An individual who previously held a position as a qualified
1832 individual or branch manager subsequent to the applicable effective

1833 date of the prelicensing and testing requirements referred to in section
1834 36a-488, at a time when such individual was not required to be
1835 licensed as a mortgage loan originator, may not hold such position
1836 again until such individual has completed all of the continuing
1837 education requirements for the year in which such individual last held
1838 such position and, effective November 1, 2012, has obtained the
1839 required mortgage loan originator license.

1840 (b) (1) In order to meet the written test requirements referred to in
1841 sections 36a-488 and 36a-489, an individual shall pass, in accordance
1842 with the standards established under this subsection, a qualified
1843 written test developed by the system and administered by a test
1844 provider approved by the system based upon reasonable standards.

1845 (2) A written test shall not be treated as a qualified written test for
1846 purposes of subdivision (1) of this subsection unless the test
1847 adequately measures the individual's knowledge and comprehension
1848 in appropriate subject areas, including ethics, federal law and
1849 regulation pertaining to mortgage origination, state law and regulation
1850 pertaining to mortgage origination, and federal and state law and
1851 regulation, including instruction on fraud, consumer protection, the
1852 nontraditional mortgage marketplace and fair lending issues.

1853 (3) Nothing in this subsection shall prohibit a test provider
1854 approved by the system from providing a test at the location of the
1855 sponsor or employer, any subsidiary or affiliate of the sponsor or
1856 employer or any entity with which the individual holds an exclusive
1857 arrangement to conduct the business of a mortgage loan originator.

1858 (4) (A) An individual shall not be considered to have passed a
1859 qualified written test unless the individual achieves a test score of not
1860 less than seventy-five per cent correct answers to questions.

1861 (B) An individual may retake a test three consecutive times with
1862 each consecutive taking occurring at least thirty days after the
1863 preceding test. After failing three consecutive tests, an individual shall

1864 wait at least six months before taking the test again.

1865 (C) (i) An individual who was licensed subsequent to the applicable
1866 effective date of the prelicensing and testing requirements referred to
1867 in section 36a-489 who has not been licensed as a mortgage loan
1868 originator within the five-year period preceding the date of the filing
1869 of such individual's application for a mortgage loan originator license,
1870 not taking into account any time during which such individual is a
1871 registered mortgage loan originator, shall retake such test; and (ii)
1872 effective October 1, 2011, an individual licensed as a loan processor or
1873 underwriter who applies to be licensed again shall retake the test if
1874 such individual has not been licensed as a loan processor or
1875 underwriter within the five-year period preceding the date of the filing
1876 of such application, not taking into account any time during which
1877 such individual is engaged in loan processing or underwriting but not
1878 required to be licensed under subdivision (3) of subsection (b) of
1879 section 36a-486.

1880 (c) (1) In order to meet the annual continuing education
1881 requirements referred to in subsections (a) and (b) of section 36a-489, a
1882 licensed mortgage loan originator, a qualified individual or branch
1883 manager and, effective October 1, 2011, a licensed loan processor or
1884 underwriter, shall complete at least eight hours of education approved
1885 in accordance with subdivision (2) of this subsection. Such courses
1886 shall include at least (A) three hours of instruction on relevant federal
1887 law and regulation; (B) two hours of ethics, including instruction on
1888 fraud, consumer protection and fair lending issues; [and] (C) two
1889 hours of training related to lending standards for the nontraditional
1890 mortgage product marketplace; and (D) effective January 1, 2015, one
1891 hour of relevant Connecticut law.

1892 (2) For purposes of subdivision (1) of this subsection, continuing
1893 education courses shall be reviewed and approved by the system
1894 based upon reasonable standards. Review and approval of a
1895 continuing education course shall include review and approval of the
1896 course provider.

1897 (3) Nothing in this subsection shall preclude any education course
1898 approved by the system that is provided by the sponsor or employer
1899 or an entity that is affiliated with the mortgage loan originator,
1900 qualified individual or branch manager or, effective October 1, 2011,
1901 loan processor or underwriter by an agency contract, or by any
1902 subsidiary or affiliate of such sponsor, employer or entity.

1903 (4) Continuing education may be offered either in a classroom,
1904 online or by any other means approved by the system.

1905 (5) Except as provided in procedures adopted under subsections (a)
1906 and (b) of section 36a-489 or in regulations adopted under subdivision
1907 (9) of this subsection, a licensed mortgage loan originator, qualified
1908 individual or branch manager or, effective October 1, 2011, a licensed
1909 loan processor or underwriter, may only receive credit for a continuing
1910 education course in the year for which the course is taken, and may not
1911 take the same approved course in the same or successive years to meet
1912 the annual requirements for continuing education.

1913 (6) A licensed mortgage loan originator or a qualified individual or
1914 branch manager or, effective October 1, 2011, a licensed loan processor
1915 or underwriter who is an approved instructor of an approved
1916 continuing education course may receive credit for the licensee's own
1917 annual continuing education requirement at the rate of two hours
1918 credit for every one hour taught.

1919 (7) When education requirements described in subdivision (1) of
1920 subsection (a) of this section are completed in another state, such out-
1921 of-state education requirements shall be accepted as credit towards
1922 completion of the education requirements of this state, provided such
1923 out-of-state education requirements are approved by the system.

1924 (8) A licensed mortgage loan originator and, effective October 1,
1925 2011, a licensed loan processor or underwriter who subsequently
1926 becomes unlicensed must complete the continuing education
1927 requirements for the last year in which the license was held prior to

1928 issuance of an initial or renewed license. A qualified individual or
1929 branch manager who ceases to hold such position shall complete the
1930 continuing education requirements for the last year in which such
1931 individual or branch manager held such position prior to licensure as a
1932 mortgage loan originator.

1933 (9) A person who meets the requirements of subparagraphs (A)(i)
1934 and (A)(iii) of subdivision (2) of subsection (a) or (b) of section 36a-489
1935 may compensate for any deficiency in an individual's continuing
1936 education requirements pursuant to regulations adopted by the
1937 commissioner.

1938 (d) For purposes of this section "nontraditional mortgage product"
1939 means any mortgage product other than a thirty-year fixed rate
1940 mortgage.

1941 Sec. 37. Section 49-31l of the 2014 supplement to the general statutes
1942 is repealed and the following is substituted in lieu thereof (*Effective*
1943 *from passage*):

1944 (a) Prior to July 1, [2014] 2018: (1) Any action for the foreclosure of a
1945 mortgage on residential real property with a return date during the
1946 period from July 1, 2008, to June 30, 2009, inclusive, shall be subject to
1947 the provisions of subsection (b) of this section, and (2) any action for
1948 the foreclosure of a mortgage on (A) residential real property with a
1949 return date during the period from July 1, 2009, to June 30, [2014] 2018,
1950 inclusive, or (B) real property owned by a religious organization with a
1951 return date during the period from October 1, 2011, to June 30, [2014]
1952 2018, inclusive, shall be subject to the provisions of subsection (c) of
1953 this section.

1954 (b) (1) Prior to July 1, [2014] 2018, when a mortgagee commences an
1955 action for the foreclosure of a mortgage on residential real property
1956 with a return date during the period from July 1, 2008, to June 30, 2009,
1957 inclusive, the mortgagee shall give notice to the mortgagor of the
1958 foreclosure mediation program established in section 49-31m by

1959 attaching to the front of the foreclosure complaint that is served on the
1960 mortgagor: (A) A copy of the notice of the availability of foreclosure
1961 mediation, in such form as the Chief Court Administrator prescribes,
1962 and (B) a foreclosure mediation request form, in such form as the Chief
1963 Court Administrator prescribes.

1964 (2) Except as provided in subdivision (3) of this subsection, a
1965 mortgagor may request foreclosure mediation by submitting the
1966 foreclosure mediation request form to the court and filing an
1967 appearance not more than fifteen days after the return date for the
1968 foreclosure action. Upon receipt of the foreclosure mediation request
1969 form, the court shall notify each appearing party that a foreclosure
1970 mediation request form has been submitted by the mortgagor.

1971 (3) The court may grant a mortgagor permission to submit a
1972 foreclosure mediation request form and file an appearance after the
1973 fifteen-day period established in subdivision (2) of this subsection, for
1974 good cause shown.

1975 (4) No foreclosure mediation request form may be submitted to the
1976 court under this subsection on or after July 1, [2014] 2018.

1977 (5) If at any time on or after July 1, 2008, but prior to July 1, [2014]
1978 2018, the court determines that the notice requirement of subdivision
1979 (1) of this subsection has not been met, the court may, upon its own
1980 motion or upon the written motion of the mortgagor, issue an order
1981 that no judgment may enter for fifteen days during which period the
1982 mortgagor may submit a foreclosure mediation request form to the
1983 court.

1984 (6) Notwithstanding any provision of the general statutes or any
1985 rule of law to the contrary, prior to July 1, [2014] 2018, no judgment of
1986 strict foreclosure nor any judgment ordering a foreclosure sale shall be
1987 entered in any action subject to the provisions of this subsection and
1988 instituted by the mortgagee to foreclose a mortgage on residential real
1989 property unless: (A) Notice to the mortgagor has been given by the

1990 mortgagee in accordance with subdivision (1) of this subsection and
1991 the time for submitting a foreclosure mediation request form has
1992 expired and no foreclosure mediation request form has been
1993 submitted, or if such notice has not been given, the time for submitting
1994 a foreclosure mediation request form pursuant to subdivision (2) or (3)
1995 of this subsection has expired and no foreclosure mediation request
1996 form has been submitted, or (B) the mediation period set forth in
1997 subdivision (b) of section 49-31n, as amended by this act, has expired
1998 or has otherwise terminated, whichever is earlier.

1999 (7) None of the mortgagor's or mortgagee's rights in the foreclosure
2000 action shall be waived by the mortgagor's submission of a foreclosure
2001 mediation request form to the court.

2002 (c) (1) Prior to July 1, [2014] 2018, when a mortgagee commences an
2003 action for the foreclosure of a mortgage on residential real property
2004 with a return date on or after July 1, 2009, or, with respect to real
2005 property owned by a religious organization, a return date on or after
2006 October 1, 2011, the mortgagee shall give notice to the mortgagor of
2007 the foreclosure mediation program established in section 49-31m by
2008 attaching to the front of the writ, summons and complaint that is
2009 served on the mortgagor: (A) A copy of the notice of foreclosure
2010 mediation, in such form as the Chief Court Administrator prescribes,
2011 (B) a copy of the foreclosure mediation certificate form described in
2012 subdivision (3) of this subsection, in such form as the Chief Court
2013 Administrator prescribes, (C) a blank appearance form, in such form as
2014 the Chief Court Administrator prescribes, (D) with respect to an action
2015 for the foreclosure of a mortgage on residential real property with a
2016 return date on or after October 1, 2011, to September 30, 2013,
2017 inclusive, a mediation information form and a notice containing
2018 contact information for authority-approved consumer credit
2019 counseling agencies, which form and notice shall be in such form as
2020 the Chief Court Administrator prescribes, and which form shall be
2021 designed to elicit current financial information and such other
2022 nonfinancial information from the mortgagor as the Chief Court

2023 Administrator, in consultation with representatives from the banking
2024 industry and consumer advocates, determines will further the
2025 objectives of the mediation program. The instructions to the mediation
2026 information form shall explain that the completed mediation
2027 information form, along with accompanying documentation
2028 reasonably requested from the mortgagor by way of such instructions,
2029 shall be delivered to the mortgagee's counsel not later than fifteen
2030 business days prior to the date of the initial mediation session, as
2031 identified in the notice provided pursuant to subdivision (2) of
2032 subsection (c) of section 49-31n, as amended by this act, and (E) for an
2033 action to foreclose a mortgage on residential real property with a
2034 return date on or after October 1, 2013, the mediation information form
2035 shall instruct the mortgagor as to the objectives of the mediation
2036 program, explain the preliminary process of meeting with the
2037 mediator as described in subdivision (4) of this subsection, instruct the
2038 mortgagor to begin gathering financial documentation commonly used
2039 in foreclosure mediation for use in meeting with the mediator and in
2040 mediation, and include a notice containing contact information for
2041 authority-approved consumer counseling agencies, which shall be in
2042 such form as the Chief Court Administrator prescribes. The content of
2043 the mediation information form shall be designed by the Chief Court
2044 Administrator in consultation with representatives from the banking
2045 industry and consumer advocates.

2046 (2) The court shall issue a notice of foreclosure mediation described
2047 in subdivision (3) of this subsection to the mortgagor not later than the
2048 date three business days after the date the mortgagee returns the writ
2049 to the court.

2050 (3) The notice of foreclosure mediation shall instruct the mortgagor
2051 to file the appearance and foreclosure mediation certificate forms with
2052 the court not later than the date fifteen days from the return date for
2053 the foreclosure action. With respect to actions with a return date on or
2054 after October 1, 2011, to September 30, 2013, inclusive, such notice shall
2055 remind the mortgagor to deliver the completed mediation information

2056 form and the accompanying documentation described in subdivision
2057 (1) of this subsection and encourage such delivery in advance of the
2058 required date. With respect to actions with a return date on or after
2059 October 1, 2013, to June 30, [2014] 2018, inclusive, such notice shall
2060 instruct the mortgagor to begin gathering financial information
2061 commonly used in foreclosure mediation for use in meeting with the
2062 mediator and in mediation. The mediation information form and
2063 accompanying documentation shall not, without the explicit written
2064 instruction of the mortgagor, be publicly available. Such notice of
2065 foreclosure mediation shall be accompanied by materials from the
2066 Department of Banking, as prescribed by the Chief Court
2067 Administrator, which shall describe the community-based resources
2068 available to the mortgagor, including authority-approved housing
2069 counseling agencies that may assist with preparation for mediation
2070 and application for mortgage assistance programs. The foreclosure
2071 mediation certificate form shall require the mortgagor to provide
2072 sufficient information to permit the court to confirm that the defendant
2073 in the foreclosure action is a mortgagor, and to certify that said
2074 mortgagor has sent a copy of the mediation certificate form to the
2075 plaintiff in the action.

2076 (4) Upon receipt of the mortgagor's appearance and foreclosure
2077 mediation certificate forms, and provided the court confirms the
2078 defendant in the foreclosure action is a mortgagor and that said
2079 mortgagor has sent a copy of the mediation certificate form to the
2080 plaintiff, the court shall assign the case to mediation and issue notice of
2081 such assignment to all appearing parties, which notice shall include an
2082 electronic mail address for all communications related to the
2083 mediation. The court shall issue such notice not earlier than the date
2084 five business days after the return date or by the date three business
2085 days after the date on which the court receives the mortgagor's
2086 appearance and foreclosure mediation certificate forms, whichever is
2087 later, except that if the court does not receive the appearance and
2088 foreclosure mediation certificate forms from the mortgagor by the date
2089 fifteen days after the return date for the foreclosure action, the court

2090 shall not assign the case to mediation. Promptly upon receipt of the
2091 notice of assignment, but not later than the thirty-fifth day following
2092 the return date, the mortgagee or its counsel shall deliver to the
2093 mediator, via the electronic mail address provided for communications
2094 related to the mediation, and to the mortgagor, via first class, priority
2095 or overnight mail, (A) an account history identifying all credits and
2096 debits assessed to the loan account and any related escrow account in
2097 the immediately preceding twelve-month period and an itemized
2098 statement of the amount required to reinstate the mortgage loan with
2099 accompanying information, written in plain language, to explain any
2100 codes used in the history and statement which are not otherwise self-
2101 explanatory, (B) the name, business mailing address, electronic mail
2102 address, facsimile number and direct telephone number of an
2103 individual able to respond with reasonable adequacy and promptness
2104 to questions relative to the information submitted to the mediator
2105 pursuant to this subdivision, and any subsequent updates to such
2106 contact information, which shall be provided reasonably promptly to
2107 the mediator via the electronic mail address provided for
2108 communication related to the mediation, (C) all reasonably necessary
2109 forms and a list of all documentation reasonably necessary for the
2110 mortgagee to evaluate the mortgagor for common alternatives to
2111 foreclosure that are available through the mortgagee, if any, (D) a copy
2112 of the note and mortgage, (E) summary information regarding the
2113 status of any pending foreclosure avoidance efforts being undertaken
2114 by the mortgagee, (F) a copy of any loss mitigation affidavit filed with
2115 the court, and (G) at the mortgagee's option, (i) the history of
2116 foreclosure avoidance efforts with respect to the mortgagor, (ii)
2117 information regarding the condition of mortgaged property, and (iii)
2118 such other information as the mortgagee may determine is relevant to
2119 meeting the objectives of the mediation program. Following the
2120 mediator's receipt of such information, the court shall assign a
2121 mediator to the mediation and schedule a meeting with the mediator
2122 and the mortgagor and shall endeavor to schedule such meeting on or
2123 prior to the forty-ninth day following the return date. The notice of
2124 such meeting shall instruct the mortgagor to complete the forms prior

2125 to the meeting and to furnish such forms together with the
2126 documentation contained in the list, as provided by the mortgagee
2127 following the filing of the foreclosure mediation certificate, at the
2128 meeting. At such meeting, the mediator shall review such forms and
2129 documentation with the mortgagor, along with the information
2130 supplied by the mortgagee, in order to discuss the options that may be
2131 available to the mortgagor, including any community-based resources,
2132 and assist the mortgagor in completing the forms and furnishing the
2133 documentation necessary for the mortgagee to evaluate the mortgagor
2134 for alternatives to foreclosure. The mediator may elect to schedule
2135 subsequent meetings with the mortgagor and determine whether any
2136 mortgagor may be excused from an in-person appearance at such
2137 subsequent meeting. As soon as practicable, but in no case later than
2138 the eighty-fourth day following the return date, the mediator shall
2139 facilitate and confirm the submission by the mortgagor of the forms
2140 and documentation to the mortgagee's counsel via electronic means
2141 and, at the mortgagee's election, directly to the mortgagee per the
2142 mortgagee's instruction, and determine, based on the mortgagor's
2143 attendance at the meetings and the extent the mortgagor completed the
2144 forms and furnished the documentation contemplated in this
2145 subdivision, or failed to perform such tasks through no material fault
2146 of the mortgagee, and file a report with the court indicating, (I)
2147 whether mediation shall be scheduled with the mortgagee, (II) whether
2148 the mortgagor attended scheduled meetings with the mediator, (III)
2149 whether the mortgagor fully or substantially completed the forms and
2150 furnished the documentation requested by the mortgagee, (IV) the
2151 date on which the mortgagee supplied the forms and documentation,
2152 and (V) any other information the mediator determines to be relevant
2153 to the objectives of the mediation program. No meeting or
2154 communication between the mediator and mortgagor under this
2155 subdivision shall be treated as an impermissible ex parte
2156 communication. If the mediator determines that the mortgagee shall
2157 participate in mediation, the court shall promptly issue notice to all
2158 parties of such determination and schedule a mediation session
2159 between the mortgagee and mortgagor in accordance with subsection

2160 (c) of section 49-31n, as amended by this act, to be held not later than
2161 five weeks following the submission to the mortgagee of the forms and
2162 documentation contemplated in this subdivision. If the mediator
2163 determines that no sessions between the mortgagee and mortgagor
2164 shall be scheduled, the court shall promptly issue notice to all parties
2165 regarding such determination and mediation shall be terminated. Any
2166 mortgagor wishing to contest such determination shall petition the
2167 court and show good cause for reinclusion in the mediation program,
2168 including, but not limited to, a material change in financial
2169 circumstances or a mistake or misunderstanding of the facts by the
2170 mediator.

2171 (5) Notwithstanding the provisions of this subsection, the court may
2172 refer a foreclosure action brought by a mortgagee to the foreclosure
2173 mediation program at any time, for good cause shown, provided the
2174 mortgagor has filed an appearance in said action and further provided
2175 the court shall, not later than the date three business days after the date
2176 on which it makes such referral, send a notice to each appearing party
2177 assigning the case to mediation and requiring the parties to participate
2178 in the premediation process described in subdivision (4) of this
2179 subsection, with the court establishing deadlines to ensure that the
2180 premediation process is to be completed by the parties as
2181 expeditiously as the circumstances warrant and permit. When
2182 determining whether good cause exists, the court shall consider
2183 whether the parties are likely to benefit from mediation and, in the
2184 case of a referral after prior attempts at mediation have been
2185 terminated, whether there has been a material change in
2186 circumstances.

2187 (6) Notwithstanding any provision of the general statutes or any
2188 rule of law, prior to July 1, [2014] 2018, (A) for the period of time which
2189 shall not exceed eight months from the return date, the mortgagor
2190 shall be permitted to file an answer, special defenses or counterclaims,
2191 but no mortgagee or mortgagor shall make any motion, request or
2192 demand with respect to the other, except those motions, requests or

2193 demands that relate to the mediation program described in section 49-
2194 31m and the mediation sessions held pursuant to such program,
2195 provided (i) a mortgagor seeking to contest the court's jurisdiction may
2196 file a motion to dismiss and the mortgagee may object to such motion
2197 to dismiss in accordance with applicable law and the rules of the
2198 courts, and (ii) if the mortgagor elects to make any other motion,
2199 request or demand with respect to the mortgagee, the eight-month
2200 limit shall no longer apply to either party; and (B) no judgment of strict
2201 foreclosure nor any judgment ordering a foreclosure sale shall be
2202 entered in any action subject to the provisions of this subsection and
2203 instituted by the mortgagee to foreclose a mortgage on residential real
2204 property or real property owned by a religious organization unless: (i)
2205 The mediation period set forth in subsection (c) of section 49-31n, as
2206 amended by this act, has expired or has otherwise terminated,
2207 whichever is earlier, and, if fewer than eight months has elapsed from
2208 the return date at the time of termination, fifteen days have elapsed
2209 since such termination and any pending motion or request to extend
2210 the mediation period has been heard and denied by the court, or (ii)
2211 the mediation program is not otherwise required or available. Nothing
2212 in this subdivision shall affect any motion made or any default or
2213 judgment entered on or before June 30, 2011.

2214 (7) With respect to foreclosure actions with a return date on or after
2215 July 1, 2011, to June 30, [2014] 2018, inclusive, notwithstanding any
2216 provision of the general statutes or any rule of law to the contrary, the
2217 mortgagee shall be permitted following the eight-month or fifteen-day
2218 period described in subdivision (6) of this subsection, to
2219 simultaneously file, as applicable, (A) a motion for default, and (B) a
2220 motion for judgment of strict foreclosure or a motion for judgment of
2221 foreclosure by sale with respect to the mortgagor in the foreclosure
2222 action.

2223 (8) None of the mortgagor's or mortgagee's rights in the foreclosure
2224 action shall be waived by participation in the foreclosure mediation
2225 program.

2226 Sec. 38. Section 49-31n of the 2014 supplement to the general statutes
2227 is repealed and the following is substituted in lieu thereof (*Effective*
2228 *from passage*):

2229 (a) Prior to July 1, [2014] 2018: (1) Any action for the foreclosure of a
2230 mortgage on residential real property with a return date during the
2231 period from July 1, 2008, to June 30, 2009, inclusive, shall be subject to
2232 the provisions of subsection (b) of this section, and (2) any action for
2233 the foreclosure of a mortgage on (A) residential real property with a
2234 return date during the period from July 1, 2009, to June 30, [2014] 2018,
2235 inclusive, or (B) real property owned by a religious organization with a
2236 return date during the period from October 1, 2011, to June 30, [2014]
2237 2018, inclusive, shall be subject to the provisions of subsection (c) of
2238 this section.

2239 (b) (1) For any action for the foreclosure of a mortgage on residential
2240 real property with a return date during the period from July 1, 2008, to
2241 June 30, 2009, inclusive, the mediation period under the foreclosure
2242 mediation program established in section 49-31m shall commence
2243 when the court sends notice to each appearing party that a foreclosure
2244 mediation request form has been submitted by a mortgagor to the
2245 court, which notice shall be sent not later than three business days after
2246 the court receives a completed foreclosure mediation request form. The
2247 mediation period shall conclude not later than the conclusion of the
2248 third mediation session between the mortgagor and mortgagee or
2249 seven months after the return date, whichever is earlier, except that the
2250 court may, in its discretion, for good cause shown, upon the motion of
2251 any party or the mediator, (A) extend the mediation period subject to
2252 the provisions of subdivision (9) of this subsection or shorten the
2253 mediation period.

2254 (2) The first mediation session shall be held not later than fifteen
2255 business days after the court sends notice to all parties that a
2256 foreclosure mediation request form has been submitted to the court.
2257 The mortgagor and mortgagee shall appear in person at each
2258 mediation session and shall have the ability to mediate, except that (A)

2259 if a party is represented by counsel, the party's counsel may appear in
2260 lieu of the party to represent the party's interests at the mediation,
2261 provided the party has the ability to mediate, the mortgagor attends
2262 the first mediation session in person, and the party is available (i)
2263 during the mediation session by telephone, and (ii) to participate in the
2264 mediation session by speakerphone, provided an opportunity is
2265 afforded for confidential discussions between the party and party's
2266 counsel, (B) following the initial mediation session, if there are two or
2267 more mortgagors who are self-represented, only one mortgagor shall
2268 be required to appear in person at each subsequent mediation session
2269 unless good cause is shown, provided the other mortgagors are
2270 available (i) during the mediation session, and (ii) to participate in the
2271 mediation session by speakerphone, and (C) if a party suffers from a
2272 disability or other significant hardship that imposes an undue burden
2273 on such party to appear in person, the mediator may grant permission
2274 to such party to participate in the mediation session by telephone. A
2275 mortgagor's spouse, who is not a mortgagor but who lives in the
2276 subject property, may appear at each mediation session, provided all
2277 appearing mortgagors consent, in writing, to such spouse's appearance
2278 or such spouse shows good cause for his or her appearance and the
2279 mortgagors consent in writing to the disclosure of nonpublic personal
2280 information to such spouse. If the mortgagor has submitted a complete
2281 package of financial documentation in connection with a request for a
2282 particular foreclosure alternative, the mortgagee shall have thirty-five
2283 days from the receipt of the completed package to respond with a
2284 decision and, if the decision is a denial of the request, provide the
2285 reasons for such denial. If the mortgagor has, in connection with a
2286 request for a foreclosure alternative, submitted a financial package that
2287 is not complete, or if the mortgagee's evaluation of a complete package
2288 reveals that additional information is necessary to underwrite the
2289 request, the mortgagee shall request the missing or additional
2290 information within a reasonable period of time of such evaluation. If
2291 the mortgagee's evaluation of a complete package reveals that
2292 additional information is necessary to underwrite the request, the
2293 thirty-five-day deadline for a response shall be extended but only for

2294 so long as is reasonable given the timing of the mortgagor's submission
2295 of such additional information and the nature and context of the
2296 required underwriting. Not later than the third business day after each
2297 mediation session held on or after June 18, 2013, the mediator shall file
2298 with the court a report indicating, to the extent applicable, (i) the
2299 extent to which each of the parties complied with the requirements set
2300 forth in this subdivision, including the requirement to engage in
2301 conduct that is consistent with the objectives of the mediation program
2302 and to possess the ability to mediate, (ii) whether the mortgagor
2303 submitted a complete package of financial documentation to the
2304 mortgagee, (iii) a general description of the foreclosure alternative
2305 being requested by the mortgagor, (iv) whether the mortgagor has
2306 previously been evaluated for similar requests, whether prior to
2307 mediation or in mediation, and, if so, whether there has been any
2308 apparent change in circumstances since a decision was made with
2309 respect to that prior evaluation, (v) whether the mortgagee has
2310 responded to the mortgagor's request for a foreclosure alternative and,
2311 if so, a description of the response and whether the mediator is aware
2312 of any material reason not to agree with the response, (vi) whether the
2313 mortgagor has responded to an offer made by the mortgagee on a
2314 reasonably timely basis, and if so, an explanation of the response, (vii)
2315 whether the mortgagee has requested additional information from the
2316 mortgagor and, if so, the stated reasons for the request and the date by
2317 which such additional information shall be submitted so that
2318 information previously submitted by the mortgagor, to the extent
2319 possible, may still be used by the mortgagee in conducting its review,
2320 (viii) whether the mortgagor has supplied, on a reasonably timely
2321 basis, any additional information that was reasonably requested by the
2322 mortgagee, and, if not, the stated reason for not doing so, (ix) if
2323 information provided by the mortgagor is no longer current for
2324 purposes of evaluating a foreclosure alternative, a description of the
2325 out-of-date information and an explanation as to how and why such
2326 information is no longer current, (x) whether the mortgagee has
2327 provided a reasonable explanation of the basis for a decision to deny a
2328 request for a loss mitigation option or foreclosure alternative and

2329 whether the mediator is aware of any material reason not to agree with
2330 that decision, (xi) whether the mortgagee has complied with the time
2331 frames set forth in this subdivision for responding to requests for
2332 decisions, (xii) if a subsequent mediation session is expected to occur, a
2333 general description of the expectations for such subsequent session
2334 and for the parties prior to such subsequent session and, if not
2335 otherwise addressed in the report, whether the parties satisfied the
2336 expectations set forth in previous reports, and (xiii) a determination of
2337 whether the parties will benefit from further mediation. The mediator
2338 shall deliver a copy of such report to each party to the mediation when
2339 the mediator files the report. The parties shall have the opportunity to
2340 submit their own supplemental information following the filing of the
2341 report, provided such supplemental information shall be submitted
2342 not later than five business days following the receipt of the mediator's
2343 report. Any request by the mortgagee to the mortgagor for additional
2344 or updated financial documentation shall be made in writing. The
2345 court may impose sanctions on any party or on counsel to a party if
2346 such party or such counsel engages in intentional or a pattern or
2347 practice of conduct during the mediation process that is contrary to the
2348 objectives of the mediation program. Any sanction that is imposed
2349 shall be proportional to the conduct and consistent with the objectives
2350 of the mediation program. Available sanctions shall include, but not be
2351 limited to, terminating mediation, ordering the mortgagor or
2352 mortgagee to mediate in person, forbidding the mortgagee from
2353 charging the mortgagor for the mortgagee's attorney's fees, awarding
2354 attorney's fees, and imposing fines. In the case of egregious
2355 misconduct, the sanctions shall be heightened. The court shall not
2356 award attorney's fees to any mortgagee for time spent in any
2357 mediation session if the court finds that such mortgagee has failed to
2358 comply with this subdivision, unless the court finds reasonable cause
2359 for such failure.

2360 (3) If the mediator reports to the court that the parties will not
2361 benefit from further mediation, the mediation period shall terminate
2362 automatically. If the mediator reports to the court after the first or

2363 second mediation session that the parties may benefit from further
2364 mediation, the mediation period shall continue.

2365 (4) If the mediation period concludes and certain issues have not
2366 been resolved pursuant to the mediation, the mediator may refer the
2367 mortgagor to any appropriate community-based services that are
2368 available.

2369 (5) The Chief Court Administrator shall establish policies and
2370 procedures to implement this subsection. Such policies and procedures
2371 shall, at a minimum, provide that the mediator shall advise the
2372 mortgagor at the first meeting required by subdivision (4) of
2373 subsection (c) of section 49-31l, as amended by this act, that a judgment
2374 of strict foreclosure or foreclosure by sale may cause the mortgagor to
2375 lose the residential real property to foreclosure.

2376 (6) In no event shall any determination issued by a mediator under
2377 this program form the basis of an appeal of any foreclosure judgment.

2378 (7) Foreclosure mediation request forms shall not be accepted by the
2379 court under this subsection on or after July 1, [2014] 2018, and the
2380 foreclosure mediation program shall terminate when all mediation has
2381 concluded with respect to any applications submitted to the court prior
2382 to July 1, [2014] 2018.

2383 (8) At any time during the mediation period, the mediator may refer
2384 a mortgagor who is the owner-occupant of one-to-four family
2385 residential real property to the mortgage assistance programs, except
2386 that any such referral shall not prevent a mortgagee from proceeding
2387 to judgment when the conditions specified in subdivision (6) of
2388 subsection (b) of section 49-31l, as amended by this act, have been
2389 satisfied.

2390 (9) (A) The mediation period shall conclude following the third
2391 mediation session or if more than seven months have elapsed since the
2392 return date. Not later than fifteen days following the conclusion of the
2393 mediation period, and any extended mediation sessions held in

2394 accordance with this subdivision, any party may move for, or the
2395 mediator may request, an extension of the mediation period. The court
2396 shall grant only one additional mediation session per motion or
2397 request upon a finding that it is highly probable the parties will reach
2398 an agreement through mediation. The court may also grant one
2399 additional mediation session per motion or request upon a finding that
2400 any party has engaged, either intentionally or by a pattern or practice,
2401 in conduct that is contrary to the objectives of the mediation program.
2402 The court shall make its ruling not later than twenty days after the
2403 filing of such motion or request, and no judgment of strict foreclosure
2404 or any judgment ordering a foreclosure sale shall be entered until (i)
2405 the court denies the motion or request, or (ii) the conclusion of the
2406 extended mediation session, except as provided in subparagraph (B) of
2407 this subdivision. Upon the grant of an additional mediation session
2408 following the proper finding, the court shall establish an expeditious
2409 deadline for such extended mediation session to occur. Such extended
2410 mediation period shall conclude following such extended mediation
2411 session.

2412 (B) The mediation period may be extended for one additional
2413 mediation session without a hearing held pursuant to this subdivision
2414 provided all parties to the mediation agree that such parties would
2415 benefit from such a session and, in consultation with the mediator,
2416 establish an expeditious deadline for such session to take place.

2417 (C) To determine whether to extend mediation, the court may
2418 consider all matters that have arisen in the mediation, including, but
2419 not limited to, the number of motions to extend mediation, the reasons
2420 for which an agreement has not been reached, the objectives of the
2421 mediation program, the extent to which the parties will benefit from
2422 further mediation, the reports submitted by the mediator, papers
2423 submitted in connection with any motion, and any supplemental
2424 reports submitted by a party. The court shall articulate its reasons in
2425 the order granting or denying any such motion or request to extend
2426 mediation.

2427 (10) For any case pending as of October 1, 2013, in which mediation
2428 is ongoing, (A) if three or fewer sessions have been held, such case
2429 shall be treated as if no sessions have been held as of said date for
2430 purposes of subdivision (9) of this subsection, and (B) if four or more
2431 sessions have been held, then any party or the mediator may move to
2432 terminate the mediation period or extend such period in accordance
2433 with subdivision (9) of this subsection and, if no such motion to extend
2434 is made, the mediation period shall conclude after the third mediation
2435 session occurring after October 1, 2013.

2436 (c) (1) For any action for the foreclosure of a mortgage on residential
2437 real property with a return date during the period from July 1, 2009, to
2438 June 30, [2014] 2018, inclusive, or for any action for the foreclosure of a
2439 mortgage on real property owned by a religious organization with a
2440 return date during the period from October 1, 2011, to June 30, [2014]
2441 2018, inclusive, the mediation period under the foreclosure mediation
2442 program established in section 49-31m shall commence when the court
2443 sends notice to each appearing party scheduling the first foreclosure
2444 mediation session. The mediation period shall conclude not later than
2445 the conclusion of the third mediation session between the mortgagor
2446 and mortgagee or seven months after the return date, whichever is
2447 earlier, except that the court may, in its discretion, for good cause
2448 shown, upon the motion of any party or request by the mediator,
2449 extend the mediation period subject to the provisions of subdivision
2450 (9) of this subsection or shorten the mediation period.

2451 (2) The mortgagor and mortgagee shall appear in person at each
2452 mediation session and shall have the ability to mediate, except that (A)
2453 if a party is represented by counsel, the party's counsel may appear in
2454 lieu of the party to represent the party's interests at the mediation,
2455 provided the party has the ability to mediate, the mortgagor attends
2456 the first mediation session in person and the party is available (i)
2457 during the mediation session by telephone, and (ii) to participate in the
2458 mediation session by speakerphone, provided an opportunity is
2459 afforded for confidential discussions between the party and party's

2460 counsel, (B) following the initial mediation session, if there are two or
2461 more mortgagors who are self-represented, only one mortgagor shall
2462 be required to appear in person at each subsequent mediation session
2463 unless good cause is shown, provided the other mortgagors are
2464 available (i) during the mediation session, and (ii) to participate in the
2465 mediation session by speakerphone, and (C) if a party suffers from a
2466 disability or other significant hardship that imposes an undue burden
2467 on such party to appear in person, the mediator may grant permission
2468 to such party to participate in the mediation session by telephone. A
2469 mortgagor's spouse, who is not a mortgagor but who lives in the
2470 subject property, may appear at each mediation session, provided all
2471 appearing mortgagors consent, in writing, to such spouse's appearance
2472 or such spouse shows good cause for his or her appearance and the
2473 mortgagors consent, in writing, to the disclosure of nonpublic personal
2474 information to such spouse. If the mortgagor has submitted a complete
2475 package of financial documentation in connection with a request for a
2476 particular foreclosure alternative, the mortgagee shall have thirty-five
2477 days from the receipt of the completed package to respond with a
2478 decision and, if the decision is a denial of the request, provide the
2479 reasons for such denial. If the mortgagor has, in connection with a
2480 request for a foreclosure alternative, submitted a financial package that
2481 is not complete, or if the mortgagee's evaluation of a complete package
2482 reveals that additional information is necessary to underwrite the
2483 request, the mortgagee shall request the missing or additional
2484 information within a reasonable period of time of such evaluation. If
2485 the mortgagee's evaluation of a complete package reveals that
2486 additional information is necessary to underwrite the request, the
2487 thirty-five-day deadline for a response shall be extended but only for
2488 so long as is reasonable given the timing of the mortgagor's submission
2489 of such additional information and the nature and context of the
2490 required underwriting. Not later than the third business day after each
2491 mediation session, the mediator shall file with the court a report
2492 indicating, to the extent applicable, (i) the extent to which each of the
2493 parties complied with the requirements set forth in this subdivision,
2494 including the requirement to engage in conduct that is consistent with

2495 the objectives of the mediation program and to possess the ability to
2496 mediate, (ii) whether the mortgagor submitted a complete package of
2497 financial documentation to the mortgagee, (iii) a general description of
2498 the foreclosure alternative being requested by the mortgagor, (iv)
2499 whether the mortgagor has previously been evaluated for similar
2500 requests, whether prior to mediation or in mediation, and, if so,
2501 whether there has been any apparent change in circumstances since a
2502 decision was made with respect to that prior evaluation, (v) whether
2503 the mortgagee has responded to the mortgagor's request for a
2504 foreclosure alternative and, if so, a description of the response and
2505 whether the mediator is aware of any material reason not to agree with
2506 the response, (vi) whether the mortgagor has responded to an offer
2507 made by the mortgagee on a reasonably timely basis, and if so, an
2508 explanation of the response, (vii) whether the mortgagee has requested
2509 additional information from the mortgagor and, if so, the stated
2510 reasons for the request and the date by which such additional
2511 information shall be submitted so that information previously
2512 submitted by the mortgagor, to the extent possible, may still be used
2513 by the mortgagee in conducting its review, (viii) whether the
2514 mortgagor has supplied, on a reasonably timely basis, any additional
2515 information that was reasonably requested by the mortgagee, and, if
2516 not, the stated reason for not doing so, (ix) if information provided by
2517 the mortgagor is no longer current for purposes of evaluating a
2518 foreclosure alternative, a description of the out-of-date information
2519 and an explanation as to how and why such information is no longer
2520 current, (x) whether the mortgagee has provided a reasonable
2521 explanation of the basis for a decision to deny a request for a loss
2522 mitigation option or foreclosure alternative and whether the mediator
2523 is aware of any material reason not to agree with that decision, (xi)
2524 whether the mortgagee has complied with the time frames set forth in
2525 this subdivision for responding to requests for decisions, (xii) if a
2526 subsequent mediation session is expected to occur, a general
2527 description of the expectations for such subsequent session and for the
2528 parties prior to such subsequent session and, if not otherwise
2529 addressed in the report, whether the parties satisfied the expectations

2530 set forth in previous reports, and (xiii) a determination of whether the
2531 parties will benefit from further mediation. The mediator shall deliver
2532 a copy of such report to each party to the mediation when the mediator
2533 files the report. The parties shall have the opportunity to submit their
2534 own supplemental information following the filing of the report,
2535 provided such supplemental information shall be submitted not later
2536 than five business days following the receipt of the mediator's report.
2537 Any request by the mortgagee to the mortgagor for additional or
2538 updated financial documentation shall be made in writing. The court
2539 may impose sanctions on any party or on counsel to a party if such
2540 party or such counsel engages in intentional or a pattern or practice of
2541 conduct during the mediation process that is contrary to the objectives
2542 of the mediation program. Any sanction that is imposed shall be
2543 proportional to the conduct and consistent with the objectives of the
2544 mediation program. Available sanctions shall include, but not be
2545 limited to, terminating mediation, ordering the mortgagor or
2546 mortgagee to mediate in person, forbidding the mortgagee from
2547 charging the mortgagor for the mortgagee's attorney's fees, awarding
2548 attorney's fees, and imposing fines. In the case of egregious
2549 misconduct, the sanctions shall be heightened. The court shall not
2550 award attorney's fees to any mortgagee for time spent in any
2551 mediation session if the court finds that such mortgagee has failed to
2552 comply with this subdivision, unless the court finds reasonable cause
2553 for such failure.

2554 (3) If the mediator reports to the court that the parties will not
2555 benefit from further mediation, the mediation period shall terminate
2556 automatically. If the mediator reports to the court after the first or
2557 second mediation session that the parties may benefit from further
2558 mediation, the mediation period shall continue.

2559 (4) If the mediation period concludes and certain issues have not
2560 been resolved pursuant to the mediation, the mediator may refer the
2561 mortgagor to any appropriate community-based services that are
2562 available in the judicial district, but any such referral shall not cause a

2563 delay in the mediation process.

2564 (5) The Chief Court Administrator shall establish policies and
2565 procedures to implement this subsection. Such policies and procedures
2566 shall, at a minimum, provide that the mediator shall advise the
2567 mortgagor at the first meeting required by subdivision (4) of
2568 subsection (c) of section 49-31l, as amended by this act, that: (A) Such
2569 mediation does not suspend the mortgagor's obligation to respond to
2570 the foreclosure action beyond the limited time frame described in
2571 subdivision (6) of subsection (c) of section 49-31l, as amended by this
2572 act; and (B) a judgment of strict foreclosure or foreclosure by sale may
2573 cause the mortgagor to lose the residential real property or real
2574 property owned by a religious organization to foreclosure.

2575 (6) In no event shall any determination issued by a mediator under
2576 this program form the basis of an appeal of any foreclosure judgment.

2577 (7) The foreclosure mediation program shall terminate when all
2578 mediation has concluded with respect to any foreclosure action with a
2579 return date during the period from July 1, 2009, to June 30, [2014] 2018,
2580 inclusive.

2581 (8) At any time during the mediation period, the mediator may refer
2582 a mortgagor who is the owner-occupant of one-to-four family
2583 residential real property to the mortgage assistance programs, except
2584 that any such referral shall not prevent a mortgagee from proceeding
2585 to judgment when the conditions specified in subdivision (6) of
2586 subsection (c) of section 49-31l, as amended by this act, have been
2587 satisfied.

2588 (9) (A) The mediation period shall conclude following the third
2589 mediation session or if more than seven months have elapsed since the
2590 return date. Not later than fifteen days following the conclusion of the
2591 mediation period, and any subsequent extended mediation sessions
2592 held in accordance with this subdivision, any party may move for, or
2593 the mediator may request, an extension of the mediation period. The

2594 court shall grant only one additional mediation session per motion or
2595 request upon a finding that it is highly probable the parties will reach
2596 an agreement through mediation. The court may also grant one
2597 additional mediation session per motion or request upon a finding that
2598 any party has engaged, either intentionally or by a pattern or practice,
2599 in conduct that is contrary to the objectives of the mediation program.
2600 The court shall make its ruling not later than twenty days after the
2601 filing of such motion or request, and no judgment of strict foreclosure
2602 or any judgment ordering a foreclosure sale shall be entered until (i)
2603 the court denies the motion or request, or (ii) the conclusion of the
2604 subsequent extended mediation session, except as provided in
2605 subparagraph (B) of this subdivision. Upon the grant of an additional
2606 mediation session following the proper finding, the court shall
2607 establish a reasonably expeditious deadline for such subsequent
2608 extended mediation session to occur. Such extended mediation period
2609 shall conclude following such subsequent extended mediation session.

2610 (B) The mediation period may be extended for one additional
2611 mediation session without a hearing held pursuant to this subdivision
2612 provided all parties to the mediation agree that such parties would
2613 benefit from such a session and, in consultation with the mediator,
2614 establish a reasonably expeditious deadline for such session to take
2615 place.

2616 (C) To determine whether to extend mediation, the court may
2617 consider all matters that have arisen in the mediation, including, but
2618 not limited to, the number of motions to extend mediation, the reasons
2619 for which an agreement has not been reached, the objectives of the
2620 mediation program, the extent to which the parties will benefit from
2621 further mediation, the reports submitted by the mediator, papers
2622 submitted in connection with any motion, and any supplemental
2623 reports submitted by a party. The court shall articulate its reasons in
2624 the order granting or denying any such motion or request to extend
2625 mediation.

2626 (10) For any case pending as of October 1, 2013, in which mediation

2627 is ongoing, (A) if three or fewer sessions have been held, such case
2628 shall be treated as if no sessions have been held as of said date for
2629 purposes of subdivision (9) of this subsection, and (B) if four or more
2630 sessions have been held, then any party or the mediator may move to
2631 terminate the mediation period or extend such period in accordance
2632 with subdivision (9) of this subsection and, if no such motion to extend
2633 is made, the mediation period shall conclude after the third mediation
2634 session occurring after October 1, 2013.

2635 (d) (1) Not later than February 14, 2014, the Chief Court
2636 Administrator shall submit, in accordance with the provisions of
2637 section 11-4a, to the joint standing committee of the General Assembly
2638 having cognizance of matters relating to banks, a summary regarding
2639 the mediation program and a general summary of the data collected in
2640 the reports submitted pursuant to subdivision (2) of subsections (b)
2641 and (c) of this section from July 1, 2013, to December 31, 2013,
2642 inclusive. Such summaries shall include, but not be limited to, the
2643 aggregate data regarding the number of cases in mediation, the
2644 number of mediation sessions held, the number of agreements reached
2645 before the conclusion of the mediation period, the number of motions
2646 or requests for an extension or continuance and the identity of the
2647 party that made such a motion or request, whether the loan at issue
2648 was serviced by a third party, the judicial district in which the
2649 mediation took place and whether the mortgagor was self-represented.

2650 (2) Not later than February 14, 2015, the Chief Court Administrator
2651 shall submit, in accordance with the provisions of section 11-4a, to the
2652 joint standing [committee] committees of the General Assembly having
2653 cognizance of matters relating to banks and housing, a summary of the
2654 reports submitted from July 1, 2013, to December 31, 2014, inclusive,
2655 pursuant to subdivision (2) of subsections (b) and (c) of this section.
2656 The detailed data points for such summary, including data to be
2657 collected but not reported, shall be developed by the Chief Court
2658 Administrator in consultation with representatives from the
2659 Governor's office, the banking industry and consumer advocates.

2660 Sec. 39. Subsection (g) of section 36a-801 of the 2014 supplement to
2661 the general statutes is repealed and the following is substituted in lieu
2662 thereof (*Effective from passage*):

2663 (g) If the commissioner determines that a check filed with the
2664 commissioner to pay a fee under [subdivision (1) of this subsection]
2665 subsection (b) of this section has been dishonored, the commissioner
2666 shall automatically suspend the license or a renewal license that has
2667 been issued but is not yet effective. The commissioner shall give the
2668 licensee notice of the automatic suspension pending proceedings for
2669 revocation or refusal to renew and an opportunity for a hearing on
2670 such actions in accordance with section 36a-51, as amended by this act.

2671 Sec. 40. Subdivisions (30) and (31) of section 34-600 of the general
2672 statutes are repealed and the following is substituted in lieu thereof
2673 (*Effective from passage*):

2674 (30) "Private organic rules" means the rules, whether or not in a
2675 record, that govern the internal affairs of an entity, are binding on all
2676 of its interest holders and are not part of its public organic document,
2677 if any.

2678 (31) "Protected agreement" means (A) a record evidencing
2679 indebtedness and any related agreement in effect on or after [October
2680 1, 2011] January 1, 2014; (B) an agreement that is binding on an entity
2681 on or after [October 1, 2011] January 1, 2014; (C) the organic rules of an
2682 entity in effect on or after [October 1, 2011] January 1, 2014; or (D) an
2683 agreement that is binding on any of the governors or interest holders
2684 of an entity on or after [October 1, 2011] January 1, 2014.

2685 Sec. 41. Subdivision (38) of section 34-600 of the general statutes is
2686 repealed and the following is substituted in lieu thereof (*Effective from*
2687 *passage*):

2688 (38) "Type", with regard to an entity, means a generic form of entity
2689 (A) recognized at common law, or (B) organized under an organic law,
2690 whether or not an entity organized under such organic law is subject to

2691 the provisions of such organic law creating different categories of the
2692 form of entity.

2693 Sec. 42. Subsection (a) of section 36a-17 of the general statutes is
2694 repealed and the following is substituted in lieu thereof (*Effective from*
2695 *passage*):

2696 (a) The commissioner, in the commissioner's discretion, may, subject
2697 to the provisions of section 36a-21, as amended by this act, and the
2698 Freedom of Information Act, as defined in section 1-200, [;] (1) make
2699 such public or private investigations or examinations within or outside
2700 this state, concerning any person subject to the jurisdiction of the
2701 commissioner, as the commissioner deems necessary to carry out the
2702 duties of the commissioner, (2) require or permit any person to testify,
2703 produce a record or file a statement in writing, under oath, or
2704 otherwise as the commissioner determines, as to all the facts and
2705 circumstances concerning the matter to be investigated or about which
2706 an action or proceeding is pending, and (3) publish information
2707 concerning any violation of any provision of the general statutes
2708 within the jurisdiction of the commissioner or any regulation or order
2709 adopted or issued under such provision.

2710 Sec. 43. Subsection (a) of section 36a-196 of the general statutes is
2711 repealed and the following is substituted in lieu thereof (*Effective from*
2712 *passage*):

2713 (a) Following the reorganization of any mutual savings bank or
2714 mutual savings and loan association pursuant to sections 36a-192 to
2715 36a-199, inclusive, the reorganized savings institution of such mutual
2716 holding company shall not sell or offer to sell its common stock or
2717 securities convertible into common stock unless each eligible account
2718 holder of the reorganized savings institution receives, without
2719 payment, nontransferable subscription rights to purchase common
2720 stock or securities convertible into common stock, as the case may be,
2721 of the reorganized savings institution pursuant to a subscription
2722 offering: (1) In which every eligible account holder may receive the

2723 right, subject to modification in the event of an over-subscription to the
2724 subscription offering by all eligible account holders, to purchase up to
2725 a maximum of one-half of one per cent of the total number of the
2726 shares of common stock or securities convertible into common stock,
2727 as the case may be, being offered by the reorganized savings
2728 institution; (2) in which every eligible account holder, regardless of
2729 such account holder's relationship to the reorganized savings
2730 institution, may participate at the same time as every other eligible
2731 account holder; and (3) which offering shall precede any offering of the
2732 reorganized savings institution's common stock or securities
2733 convertible into common stock, as the case may be, to the members of
2734 the general public. The terms of the subscription offering may provide
2735 that any savings account with total balances of less than five hundred
2736 dollars, or any lesser amount as determined by the governing board of
2737 the reorganized savings institution, shall not constitute a qualifying
2738 deposit for participation in the subscription offering. Not later than
2739 fifteen days from the date of submission to the commissioner of a plan
2740 outlining the terms of the subscription offering, the reorganized
2741 savings institution shall mail by first class mail a notice to each eligible
2742 account holder as of the eligibility record date indicating that: [(1)] (A)
2743 The governing board of the reorganized savings institution has
2744 approved the sale of a certain number of shares of common stock or
2745 securities convertible into common stock, as the case may be; [(2)] (B)
2746 such eligible account holder shall have nontransferable rights to
2747 subscribe for shares of the common stock or securities convertible into
2748 common stock, as the case may be, of the reorganized savings
2749 institution; [(3)] (C) the holders of capital stock of the reorganized
2750 savings bank shall have exclusive voting rights; [(4)] (D) the right to
2751 subscribe to shares of common stock or securities convertible into
2752 common stock, as the case may be, will expire unless such rights are
2753 exercised by the eligible account holder within the time period
2754 specified in such notice, which date shall not be less than sixty days
2755 from the date of the submission to the commissioner of the plan
2756 outlining the terms of the subscription offering; and [(5)] (E) in order to
2757 obtain further information with respect to the subscription offering,

2758 the eligible account holder shall indicate such eligible account holder's
2759 interest to the reorganized savings institution by returning a postage
2760 prepaid expression of interest sent by the reorganized savings
2761 institution not later than the date set forth in the notice, which date
2762 shall be not less than thirty days from the date of the submission to the
2763 commissioner of the plan outlining the terms of the subscription
2764 offering. In mailing such notice to eligible account holders, the
2765 reorganized savings institution may rely upon the last-known valid
2766 address of such account holder in its possession. The reorganized
2767 savings institution shall have no further obligation to forward
2768 information regarding the conversion offering to eligible account
2769 holders who have not returned postage prepaid expressions of interest
2770 or responded otherwise in writing to such notice.

2771 Sec. 44. Subsection (c) of section 36a-380 of the general statutes is
2772 repealed and the following is substituted in lieu thereof (*Effective from*
2773 *passage*):

2774 (c) As used in sections 36a-380 to 36a-386, inclusive, "entity" means a
2775 corporation, joint stock company, association, partnership, limited
2776 partnership, unincorporated organization, limited liability company or
2777 similar organization, but does not include any corporation of which
2778 the majority of the shares are owned by the United States or by any
2779 state.

2780 Sec. 45. Subdivision (3) of subsection (c) of section 36a-534b of the
2781 general statutes is repealed and the following is substituted in lieu
2782 thereof (*Effective from passage*):

2783 (3) Any person making any filing or submission of any information
2784 on the system shall do so in accordance with the procedures and
2785 requirements of the system and pay the applicable fees or charges to
2786 the system. Each mortgage lender, mortgage correspondent lender,
2787 mortgage broker, mortgage loan originator and loan processor or
2788 underwriter licensee and each exempt registrant, to the extent required
2789 by the system, shall timely submit to the system accurate reports of

2790 condition that shall be in such form and shall contain such information
 2791 as the system may require. Failure by a licensee to submit a timely and
 2792 accurate report of condition shall constitute a violation of this
 2793 provision. Failure of an exempt registrant to timely and accurately
 2794 submit a report of condition shall form a basis to inactivate the licenses
 2795 of all sponsored mortgage loan originators or loan processor or
 2796 underwriters. To the extent that the system does not require
 2797 submission of reports of condition by individual mortgage loan
 2798 originator or loan processor or underwriter licensees, such individual
 2799 licensees shall timely and accurately report all required information in
 2800 their possession to their sponsor for purposes of their sponsor's
 2801 reporting obligation. Failure of an individual licensee to timely and
 2802 accurately report required information in [their] such licensee's
 2803 possession to [their] such licensee's sponsor shall constitute a violation
 2804 of this provision.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2014</i>	36a-715
Sec. 2	<i>October 1, 2014</i>	36a-716
Sec. 3	<i>October 1, 2014</i>	36a-717
Sec. 4	<i>October 1, 2014</i>	36a-718
Sec. 5	<i>October 1, 2014</i>	New section
Sec. 6	<i>October 1, 2014</i>	New section
Sec. 7	<i>October 1, 2014</i>	New section
Sec. 8	<i>October 1, 2014</i>	New section
Sec. 9	<i>October 1, 2014</i>	New section
Sec. 10	<i>January 1, 2015</i>	New section
Sec. 11	<i>January 1, 2015</i>	New section
Sec. 12	<i>January 1, 2015</i>	New section
Sec. 13	<i>January 1, 2015</i>	New section
Sec. 14	<i>October 1, 2014</i>	New section
Sec. 15	<i>October 1, 2014</i>	New section
Sec. 16	<i>October 1, 2014</i>	New section
Sec. 17	<i>October 1, 2014</i>	New section
Sec. 18	<i>October 1, 2014</i>	36a-1
Sec. 19	<i>October 1, 2014</i>	36a-65(c)(6)

Sec. 20	October 1, 2014	36a-412(a)(4)
Sec. 21	October 1, 2014	36a-487(a)
Sec. 22	October 1, 2014	36a-671c
Sec. 23	October 1, 2014	49-2a
Sec. 24	October 1, 2014	49-2c
Sec. 25	October 1, 2014	36a-145(o)
Sec. 26	October 1, 2014	36a-633(a)
Sec. 27	from passage	36a-70(q)
Sec. 28	from passage	36a-2
Sec. 29	from passage	36a-3
Sec. 30	from passage	36a-485
Sec. 31	from passage	36a-21
Sec. 32	from passage	36a-51(c)
Sec. 33	October 1, 2014	New section
Sec. 34	October 1, 2014	36a-486(b)(2)
Sec. 35	October 1, 2014	36a-498e(10)
Sec. 36	October 1, 2014	36a-489a
Sec. 37	from passage	49-31l
Sec. 38	from passage	49-31n
Sec. 39	from passage	36a-801(g)
Sec. 40	from passage	34-600(30) and (31)
Sec. 41	from passage	34-600(38)
Sec. 42	from passage	36a-17(a)
Sec. 43	from passage	36a-196(a)
Sec. 44	from passage	36a-380(c)
Sec. 45	from passage	36a-534b(c)(3)

BA *Joint Favorable Subst.*

APP *Joint Favorable*