



General Assembly

February Session, 2016

***Raised Bill No. 5292***

LCO No. 1325



Referred to Committee on BANKING

Introduced by:  
(BA)

***AN ACT CONCERNING THE PROTECTING TENANTS IN FORECLOSURE ACT.***

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

1 Section 1. Subsection (a) of section 49-31p of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2016*):

4 (a) In the case of any foreclosure on a federally-related mortgage  
5 loan or on any dwelling or residential real property that has a return  
6 date on or after July 13, 2011, [but not later than December 31, 2017,]  
7 any immediate successor in interest in such property pursuant to the  
8 foreclosure shall assume such interest subject to (1) the provision, by  
9 such successor in interest, of a notice to vacate to any bona fide tenant  
10 not less than ninety days before the effective date of such notice; and  
11 (2) the rights of any bona fide tenant, as of the date absolute title vests  
12 in such successor in interest (A) under any bona fide lease entered into  
13 before such date to occupy the premises until the end of the remaining  
14 term of the lease, except that a successor in interest may terminate a  
15 lease effective on the date of sale of the unit to a purchaser who will

16 occupy the unit as a primary residence, subject to the receipt by the  
17 tenant of the ninety-day notice under subdivision (1) of this subsection;  
18 or (B) without a lease or with a lease terminable at will under state law,  
19 subject to the receipt by the tenant of the ninety-day notice under  
20 subdivision (1) of this subsection, except that nothing under this  
21 section shall affect the requirements for termination of any federally  
22 subsidized or state-subsidized tenancy or of any state or local law that  
23 provides longer time periods or other additional protections for  
24 tenants.

25 Sec. 2. Section 49-31q of the general statutes is repealed and the  
26 following is substituted in lieu thereof (*Effective October 1, 2016*):

27 (a) [On or before December 31, 2017, in] In the case of an owner who  
28 is an immediate successor in interest pursuant to foreclosure during  
29 the term of a lease, vacating the property prior to sale shall not  
30 constitute other good cause for terminating the lease of a tenant who is  
31 a recipient of assistance under 42 USC 1437f(o), the federal Housing  
32 Choice Voucher Program, except that the owner may terminate the  
33 tenancy effective on the date of transfer of the unit to the owner if the  
34 owner (1) will occupy the unit as a primary residence, and (2) has  
35 provided the tenant a notice to vacate at least ninety days before the  
36 effective date of such notice.

37 (b) [On or before December 31, 2017, in] In the case of any  
38 foreclosure on any federally-related mortgage loan, as that term is  
39 defined in 12 USC 2602(1), the Real Estate Settlement Procedures Act  
40 of 1974, or on any residential real property in which a recipient of  
41 assistance under 42 USC 1437(o), the federal Housing Choice Voucher  
42 Program, resides, the immediate successor in interest in such property  
43 pursuant to the foreclosure shall assume such interest subject to the  
44 lease between the prior owner and the tenant and to the housing  
45 assistance payments contract between the prior owner and the public  
46 housing agency for the occupied unit, except that this provision and  
47 the provisions related to foreclosure in subsection (a) of this section

48 shall not affect any state or local law that provides longer time periods  
49 or other additional protections for tenants.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2016</i>	49-31p(a)
Sec. 2	<i>October 1, 2016</i>	49-31q

***Statement of Purpose:***

To provide notice to tenants of property that is being foreclosed upon.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*