



PA 18-70—sSB 485
Judiciary Committee

**AN ACT CONCERNING THE PROVISION OF A PAYOFF STATEMENT
BY A JUDGMENT LIENHOLDER**

SUMMARY: This act creates a process by which a judgment lienholder (see BACKGROUND) or his or her attorney must provide a payoff statement to a debtor, the debtor’s attorney, or current owner of the property subject to the lien upon written request.

Specifically, the act:

1. requires a judgment lienholder or the lienholder’s attorney to provide a written payoff statement by the date specified in the request, as long as the deadline is at least 21 business days after they receive it;
2. allows the request to be sent to the lienholder using the name and address in the last recorded lien that secures the lienholder’s judgment, but requires it to be sent to the lienholder’s attorney if the lienholder is a plaintiff in an enforcement action regarding the lien pending in Superior Court; and
3. prohibits the judgment lienholder or attorney from charging for the first payoff statement requested in a calendar year unless (a) the judgment debtor or his or her attorney or other authorized agent requests expedited delivery and agrees to pay a fee for such delivery and (b) the payoff statement is provided by the date the parties agreed on.

EFFECTIVE DATE: October 1, 2018

BACKGROUND

Judgement Lien

By law, a judgment lien secures the unpaid amount of any money judgment and may be placed on any real property of the debtor by recording it on the land records in the town where the property lies. It expires 20 years after the judgment was rendered (10 years for those related to small claims), unless the party claiming the lien (1) begins a foreclosure action within that time period and (2) records a formal notice of the foreclosure proceeding on the land records (CGS § 52-380a).

A judgment lien that expires for failure to comply with the above time limitations is automatically nullified and its continued existence does not affect the record owner’s title or the property’s marketability (CGS § 52-380c).