

---

---

## **OLR Bill Analysis**

### **HB 6996 (as amended by House "A")\***

#### ***AN ACT EXTENDING THE FORECLOSURE MEDIATION PROGRAM.***

#### **SUMMARY**

This bill extends the state's foreclosure mediation program for four years, until July 1, 2023, at which time the court may not accept new mediation requests. By law, the program terminates when the mediation of all timely submitted requests concludes. Under current law, the court may not accept mediation requests on or after July 1, 2019. The bill also designates the program the "Ezequiel Santiago Foreclosure Mediation Program."

The bill decreases the frequency of reports by the chief court administrator of program data. Current law requires the chief court administrator to annually report to the Banking Committee, until March 1, 2019, a summary report of the mediation program, including program data. Under the bill's program extension, the same report must instead be submitted on a biennial basis, by March 1, 2021, and March 1, 2023, respectively.

The state's foreclosure mediation program is available to (1) owner-occupants of a one- to four-family residential real property who use it as their primary residence and (2) religious organizations. The property must be located in Connecticut, and the owner-occupant must be either the borrower under a mortgage on the property or a permitted successor-in-interest (i.e., someone who, among other things, has title to the property due to certain events such as divorce or the borrower's death).

The mediation program brings together judicial branch mediators; lenders; and borrowers or owner-occupants, as applicable. If an eligible borrower or owner-occupant files an appearance and requests

mediation, the lender must participate.

\*House Amendment "A" (1) decreases the frequency of reporting program data by the chief court administrator and (2) names the program after Ezequiel Santiago.

EFFECTIVE DATE: Upon passage

**COMMITTEE ACTION**

Banking Committee

Joint Favorable

Yea 10 Nay 5 (03/05/2019)

Appropriations Committee

Joint Favorable

Yea 29 Nay 15 (05/13/2019)