



General Assembly

January Session, 2019

Committee Bill No. 347

LCO No. 6108



Referred to Committee on JUDICIARY

Introduced by:
(JUD)

**AN ACT CONCERNING CONTRACTS FOR THE SALE OF REAL
PROPERTY LOCATED IN THIS STATE.**

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

1 Section 1. (NEW) (*Effective October 1, 2019*) (a) As used in this
2 section:

3 (1) "Buyer" means a person that contracts to buy real property
4 located in this state; and

5 (2) "Financial institution" means a bank, as defined in section 36a-2
6 of the general statutes, an out-of-state bank, as defined in section 36a-2
7 of the general statutes, an institutional lender or any subsidiary or
8 affiliate of such bank, out-of-state bank or institutional lender, that
9 directly or indirectly acquires the real property pursuant to strict
10 foreclosure, foreclosure by sale or deed-in-lieu of foreclosure, and with
11 the intent of ultimately transferring the property, or other lender
12 licensed by the Department of Banking.

13 (b) No contract between a buyer and a financial institution, or entity
14 acting on behalf of such financial institution, including, but not limited

15 to, a corporation, limited liability corporation, asset management
 16 company or other corporate entity, involving the sale of real property
 17 located in this state shall contain any provision by which the financial
 18 institution offers the buyer the option of using the financial
 19 institution's preferred provider of services that are an essential
 20 component of a real estate closing, including, but not limited to, title
 21 insurance services, escrow services, attorney services and any other
 22 real estate closing services that the financial institution offers to
 23 provide on behalf of the buyer in connection with a real estate closing.
 24 On and after October 1, 2019, any provision of a contract entered into
 25 between a buyer and seller involving the sale of real property located
 26 in this state that contains any such provision shall be void as against
 27 the public policy of this state.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2019	New section

Statement of Purpose:

To declare void as against the public policy certain real estate contracts that encourage a buyer of real property to use the real estate closing services offered by a financial institution that is the seller of the real property.

[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.]

Co-Sponsors: SEN. FASANO, 34th Dist.

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