AN ACT CONCERNING MORTGAGE FORBEARANCE FOR OWNERS OF HOMES WITH CRUMBLING FOUNDATIONS.

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

Section 1. (NEW) (Effective October 1, 2020) (a) As used in this section:

(1) "Connecticut bank" and "Connecticut credit union" have the same meanings as provided in section 36a-2 of the general statutes;

(2) "Dwelling" has the same meaning as provided in section 36a-485 of the general statutes;

(3) "Mortgagor" means any person to whom a residential mortgage loan has been issued and who resides in the dwelling upon which such residential mortgage loan is subject; and

(4) "Residential mortgage loan" has the same meaning as provided in section 36a-485 of the general statutes.

(b) Each residential mortgage loan issued by a Connecticut bank or Connecticut credit union on or after October 1, 2020, shall include a provision that authorizes forbearance, for a period not to exceed one
hundred twenty days, to any mortgagor who provides documentation from the chief building inspector of the town attesting that such mortgagor's dwelling requires repairs because it contains a concrete foundation that has deteriorated in whole or in part due to the presence of pyrrhotite.

(c) Nothing in this section shall be construed as limiting any financial institution from providing mortgage forbearance to any mortgagor in the state who has been issued a mortgage prior to October 1, 2020, and whose dwelling requires repairs because it contains a concrete foundation that has deteriorated in whole or in part due to the presence of pyrrhotite.

This act shall take effect as follows and shall amend the following sections:

<table>
<thead>
<tr>
<th>Section 1</th>
<th>October 1, 2020</th>
<th>New section</th>
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**Statement of Purpose:**

To require certain residential mortgages to include a provision that permits mortgage forbearance if the home requires repairs related to the presence of pyrrhotite in the foundation.

[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.]