



House of Representatives

General Assembly

File No. 629

January Session, 2021

Substitute House Bill No. 6369

House of Representatives, April 29, 2021

The Committee on Judiciary reported through REP. STAFSTROM of the 129th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT REQUIRING MORTGAGEES TO DELIVER MORTGAGE RELEASES TO THE TOWN CLERK AND TO ACCEPT CERTAIN FORMS OF PAYMENT TENDERED IN SATISFACTION OR PARTIAL SATISFACTION OF A MORTGAGE.

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

1 Section 1. Subsection (a) of section 49-8 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective October*
3 *1, 2021*):

4 (a) The mortgagee or a person authorized by law to release the
5 mortgage shall execute and deliver to the town clerk a release to the
6 extent of the satisfaction tendered before or against receipt of the release:
7 (1) Upon the satisfaction of the mortgage; (2) upon a bona fide offer to
8 satisfy the mortgage in accordance with the terms of the mortgage deed
9 upon the execution of a release; (3) when the parties in interest have
10 agreed in writing to a partial release of the mortgage where that part of
11 the property securing the partially satisfied mortgage is sufficiently
12 definite and certain; or (4) when the mortgagor has made a bona fide

13 offer in accordance with the terms of the mortgage deed for such partial
 14 satisfaction on the execution of such partial release. Such mortgagee or
 15 person authorized by law to release the mortgage shall deliver a copy of
 16 such release to the mortgagor.

17 Sec. 2. (NEW) (*Effective October 1, 2021*) A mortgagee shall accept as
 18 payment tendered for satisfaction or partial satisfaction of a mortgage a
 19 bank check, certified check, attorney's clients' funds account check, title
 20 insurance company check, wire transfer or any other form of payment
 21 authorized under federal law.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2021</i>	49-8(a)
Sec. 2	<i>October 1, 2021</i>	New section

JUD *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill, which adds two requirements for mortgagees, does not result in a fiscal impact to the state or municipalities.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sHB 6369*****AN ACT REQUIRING MORTGAGEES TO DELIVER MORTGAGE RELEASES TO THE TOWN CLERK AND TO ACCEPT CERTAIN FORMS OF PAYMENT TENDERED IN SATISFACTION OR PARTIAL SATISFACTION OF A MORTGAGE.*****SUMMARY**

This bill requires a mortgagee (lender), or any person authorized to release a mortgage, to send a notice of the release to the town clerk of the town where the mortgaged property is located when:

1. the mortgage is paid off;
2. a bona fide offer exists to pay off the mortgage or part of the mortgage, in accordance with its terms upon a release; or
3. the interested parties have a written agreement to partially release the mortgage.

Additionally, the mortgagee or authorized person must send a copy of the release to the mortgagor (borrower).

The bill also requires a mortgagee to accept, as payment or partial payment to satisfy a mortgage, a bank or certified check; attorney's clients' funds check; title insurance company check; wire transfer; or any other payment authorized by federal law.

EFFECTIVE DATE: October 1, 2021

BACKGROUND***Legislative History***

The House referred the bill (File 70) to the Judiciary Committee, which reported a substitute that eliminates a provision allowing the owner of real estate subject to a mechanic's lien, or any other individual

with interest in the property, to substitute the lien with a bond without first applying to the court as required by current law.

COMMITTEE ACTION

Banking Committee

Joint Favorable Substitute

Yea 18 Nay 0 (02/23/2021)

Judiciary Committee

Joint Favorable Substitute

Yea 34 Nay 5 (04/20/2021)