



General Assembly

January Session, 2021

Raised Bill No. 6593

LCO No. 4239



Referred to Committee on JUDICIARY

Introduced by:
(JUD)

***AN ACT PROTECTING A MORTGAGOR FROM AN UNREASONABLE
INVASION OF HIS OR HER PRIVACY BY A MORTGAGE HOLDER.***

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

1 Section 1. (NEW) (*Effective October 1, 2021*) (a) As used in this section:

2 (1) "Mortgage" means a mortgage deed, deed of trust or other
3 equivalent consensual security interest on residential real property
4 securing a loan made primarily for personal, family or household
5 purposes that is first in priority over any other mortgages or liens
6 encumbering the residential real property, except those liens that are
7 given priority over a mortgage pursuant to state or federal law;

8 (2) "Mortgagee" means the owner or servicer of the debt secured by a
9 mortgage;

10 (3) "Mortgagor" means the owner-occupant of residential real
11 property located in this state who is also the borrower under the loan
12 that is secured by a mortgage and includes the heirs or assigns of the
13 mortgagor; and

14 (4) "Residential real property" means a one-to-four-family dwelling
15 occupied as a residence by a mortgagor.

16 (b) No property preservation clause set forth in any mortgage
17 permitting the mortgagee the right to secure, preserve or protect the
18 residential real property shall be construed as to permit the mortgagee,
19 or any agent, employee or representative of the mortgagee, to enter
20 upon the residential real property without the permission of the owner,
21 occupant or mortgagor or an order of the superior court for the judicial
22 district in which the property is situated.

23 (c) No mortgagee or any agent, employee or representative of the
24 mortgagee shall enter upon the residential real property secured by the
25 mortgage without the permission of the owner, occupant or mortgagor
26 or an order of the superior court for the judicial district in which the
27 property is situated.

28 (d) On and after October 1, 2021, no mortgagee shall require a
29 mortgagor, as a condition of obtaining a loan, to agree that a mortgagee,
30 or assignee of such mortgagee, has any right to enter the residential real
31 property secured by the mortgage without the permission of the owner,
32 occupant or mortgagor or an order of the superior court for the judicial
33 district in which the property is situated.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2021</i>	New section

Statement of Purpose:

To ensure that a mortgagee does not enter upon the residential real property that is the subject of the mortgage without the permission of the owner, occupant or mortgagor or an order of a court.

[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.]