



General Assembly

**Amendment**

January Session, 2021

LCO No. 8441



Offered by:

SEN. KASSER, 36<sup>th</sup> Dist.

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To: Subst. Senate Bill No. 891

File No. 248

Cal. No. 173

**"AN ACT CONCERNING THE EZEQUIEL SANTIAGO  
FORECLOSURE MEDIATION PROGRAM AND OTHER  
ALTERNATIVES TO FORECLOSURE."**

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. Section 49-311 of the general statutes is repealed and the  
4 following is substituted in lieu thereof (*Effective October 1, 2021*):

5 [(a) Prior to July 1, 2023: (1) Any action for the foreclosure of a  
6 mortgage on residential real property with a return date during the  
7 period from July 1, 2008, to June 30, 2009, inclusive, shall be subject to  
8 the provisions of subsection (b) of this section, and (2) any action for the  
9 foreclosure of a mortgage on (A) residential real property with a return  
10 date during the period from July 1, 2009, to June 30, 2023, inclusive, or  
11 (B) real property owned by a religious organization with a return date  
12 during the period from October 1, 2011, to June 30, 2023, inclusive, shall  
13 be subject to the provisions of subsection (c) of this section.

14 (b) (1) Prior to July 1, 2023, when a mortgagee commences an action  
15 for the foreclosure of a mortgage on residential real property with a  
16 return date during the period from July 1, 2008, to June 30, 2009,  
17 inclusive, the mortgagee shall give notice to the mortgagor of the  
18 Ezequiel Santiago Foreclosure Mediation Program established pursuant  
19 to section 49-31m by attaching to the front of the foreclosure complaint  
20 that is served on the mortgagor: (A) A copy of the notice of the  
21 availability of foreclosure mediation, in such form as the Chief Court  
22 Administrator prescribes, and (B) a foreclosure mediation request form,  
23 in such form as the Chief Court Administrator prescribes.

24 (2) Except as provided in subdivision (3) of this subsection, a  
25 mortgagor may request foreclosure mediation by submitting the  
26 foreclosure mediation request form to the court and filing an  
27 appearance not more than fifteen days after the return date for the  
28 foreclosure action. Upon receipt of the foreclosure mediation request  
29 form, the court shall notify each appearing party that a foreclosure  
30 mediation request form has been submitted by the mortgagor.

31 (3) The court may grant a mortgagor permission to submit a  
32 foreclosure mediation request form and file an appearance after the  
33 fifteen-day period established in subdivision (2) of this subsection, for  
34 good cause shown.

35 (4) No foreclosure mediation request form may be submitted to the  
36 court under this subsection on or after July 1, 2023.

37 (5) If at any time on or after July 1, 2008, but prior to July 1, 2023, the  
38 court determines that the notice requirement of subdivision (1) of this  
39 subsection has not been met, the court may, upon its own motion or  
40 upon the written motion of the mortgagor, issue an order that no  
41 judgment may enter for fifteen days during which period the mortgagor  
42 may submit a foreclosure mediation request form to the court.

43 (6) Notwithstanding any provision of the general statutes or any rule  
44 of law to the contrary, prior to July 1, 2023, no judgment of strict  
45 foreclosure nor any judgment ordering a foreclosure sale shall be

46 entered in any action subject to the provisions of this subsection and  
47 instituted by the mortgagee to foreclose a mortgage on residential real  
48 property unless: (A) Notice to the mortgagor has been given by the  
49 mortgagee in accordance with subdivision (1) of this subsection and the  
50 time for submitting a foreclosure mediation request form has expired  
51 and no foreclosure mediation request form has been submitted, or if  
52 such notice has not been given, the time for submitting a foreclosure  
53 mediation request form pursuant to subdivision (2) or (3) of this  
54 subsection has expired and no foreclosure mediation request form has  
55 been submitted, or (B) the mediation period set forth in subsection (b)  
56 of section 49-31n has expired or has otherwise terminated, whichever is  
57 earlier.

58 (7) None of the mortgagor's or mortgagee's rights in the foreclosure  
59 action shall be waived by the mortgagor's submission of a foreclosure  
60 mediation request form to the court.]

61 [(c) (1)] (a) Prior to July 1, [2023] 2029, when a mortgagee commences  
62 an action for the foreclosure of a mortgage on residential real property  
63 with a return date [on or after] during the period from July 1, 2009, to  
64 June 30, 2029, inclusive, or, with respect to real property owned by a  
65 religious organization, a return date [on or after] during the period from  
66 October 1, 2011, to June 30, 2029, inclusive, the mortgagee shall give  
67 notice to the mortgagor of the Ezequiel Santiago Foreclosure Mediation  
68 Program established pursuant to section 49-31m by attaching to the  
69 front of the writ, summons and complaint that is served on the  
70 mortgagor: [(A)] (1) A copy of the notice of foreclosure mediation, in  
71 such form as the Chief Court Administrator prescribes, [(B)] (2) a copy  
72 of the foreclosure mediation certificate form described in [subdivision  
73 (3) of this] subsection (c) of this section, in such form as the Chief Court  
74 Administrator prescribes, [(C)] (3) a blank appearance form, in such  
75 form as the Chief Court Administrator prescribes, [(D)] (4) with respect  
76 to an action for the foreclosure of a mortgage on residential real property  
77 with a return date [on or after] during the period from October 1, 2011,  
78 to September 30, 2013, inclusive, a mediation information form and a  
79 notice containing contact information for authority-approved consumer

80 credit counseling agencies, which form and notice shall be in such form  
81 as the Chief Court Administrator prescribes, and which form shall be  
82 designed to elicit current financial information and such other  
83 nonfinancial information from the mortgagor as the Chief Court  
84 Administrator, in consultation with representatives from the banking  
85 industry and consumer advocates, determines will further the objectives  
86 of the mediation program. The Chief Court Administrator shall develop  
87 a premediation review protocol pursuant to which the mediator shall  
88 request that any documents submitted to the mediator for initial review  
89 that are incomplete, contain errors or are likely to be found unacceptable  
90 by the mortgagee be completed or corrected and that the completed or  
91 corrected documents be resubmitted to the mediator for review. Such  
92 premediation review, including any recommendations to complete or  
93 correct documents, shall not be construed to be the practice of law on  
94 behalf of any party to the mediation or the provision of legal advice by  
95 the mediator. The instructions to the mediation information form shall  
96 explain that the completed mediation information form, along with  
97 accompanying documentation reasonably requested from the  
98 mortgagor by way of such instructions, shall be delivered to the  
99 mortgagee's counsel not later than fifteen business days prior to the date  
100 of the initial mediation session, as identified in the notice provided  
101 pursuant to [subdivision (2) of subsection (c)] subsection (a) of section  
102 49-31n, as amended by this act, and [(E)] (5) for an action to foreclose a  
103 mortgage on residential real property with a return date on or after  
104 October 1, 2013, the mediation information form shall instruct the  
105 mortgagor as to the objectives of the mediation program, explain the  
106 preliminary process of meeting with the mediator as described in  
107 [subdivision (4) of this subsection] subsection (d) of this section, instruct  
108 the mortgagor to begin gathering financial documentation commonly  
109 used in foreclosure mediation for use in meeting with the mediator and  
110 in mediation, and include a notice containing contact information for  
111 authority-approved consumer counseling agencies, which shall be in  
112 such form as the Chief Court Administrator prescribes. The content of  
113 the mediation information form shall be designed by the Chief Court  
114 Administrator in consultation with representatives from the banking

115 industry and consumer advocates.

116 [(2)] (b) The court shall issue a notice of foreclosure mediation  
117 described in [subdivision (3)] subsection (c) of this [subsection] section  
118 to the mortgagor not later than the date three business days after the  
119 date the mortgagee returns the writ to the court.

120 [(3)] (c) The notice of foreclosure mediation shall instruct the  
121 mortgagor to file the appearance and foreclosure mediation certificate  
122 forms with the court not later than the date fifteen days from the return  
123 date for the foreclosure action. With respect to actions with a return date  
124 during the period from October 1, 2011, to September 30, 2013, inclusive,  
125 such notice shall remind the mortgagor to deliver the completed  
126 mediation information form and the accompanying documentation  
127 described in [subdivision (1)] subsection (a) of this [subsection] section  
128 and encourage such delivery in advance of the required date. With  
129 respect to actions with a return date during the period from October 1,  
130 2013, to June 30, [2023] 2029, inclusive, such notice shall instruct the  
131 mortgagor to begin gathering financial information commonly used in  
132 foreclosure mediation for use in meeting with the mediator and in  
133 mediation. The mediation information form and accompanying  
134 documentation shall not, without the explicit written instruction of the  
135 mortgagor, be publicly available. Such notice of foreclosure mediation  
136 shall be accompanied by materials from the Department of Banking, as  
137 prescribed by the Chief Court Administrator, which shall describe the  
138 community-based resources available to the mortgagor, including  
139 authority-approved housing counseling agencies that may assist with  
140 preparation for mediation and application for mortgage assistance  
141 programs. The foreclosure mediation certificate form shall require the  
142 mortgagor to provide sufficient information to permit the court to  
143 confirm that the defendant in the foreclosure action is a mortgagor, and  
144 to certify that said mortgagor has sent a copy of the mediation certificate  
145 form to the plaintiff in the action. With respect to actions with a return  
146 date on or after October 1, 2015, in order to ensure that all necessary  
147 consents to the disclosure of nonpublic personal financial information  
148 have been provided to the mortgagee, such that a spouse may be

149 considered a permitted successor-in-interest, the court shall confirm  
150 that the foreclosure mediation certificate submitted by [(A)] (1) the  
151 spouse or former spouse provides consent to the full disclosure by the  
152 mortgagee of such spouse's or former spouse's nonpublic personal  
153 financial information to any other person who is obligated as a borrower  
154 on the note, to the extent the mortgagee has such information, and [(B)]  
155 (2) any other person who is a mortgagor provides consent to the full  
156 disclosure by the mortgagee of such person's nonpublic personal  
157 financial information to such spouse or former spouse, to the extent the  
158 mortgagee has such information. If a foreclosure mediation certificate is  
159 not submitted by a mortgagor, other than a spouse or former spouse  
160 claiming to be a permitted successor-in-interest, the court shall confirm,  
161 in lieu of the requirements of [subparagraph (B) of this subdivision]  
162 subdivision (2) of this subsection, that the foreclosure mediation  
163 certificate submitted by the spouse or former spouse contains a  
164 statement, signed by the spouse or former spouse, certifying that all  
165 persons who are obligated on the note have otherwise given  
166 documentation to the mortgagee which allows for the full disclosure by  
167 the mortgagee of such person's nonpublic personal information to the  
168 spouse or former spouse, to the extent the mortgagee has such  
169 information. Such a certification may be rebutted conclusively by the  
170 mortgagee if the mortgagee submits a written statement to the court in  
171 which the mortgagee certifies that, based upon reasonable belief, the  
172 mortgagee does not possess such documentation.

173 [(4)] (d) Upon receipt of the mortgagor's appearance and foreclosure  
174 mediation certificate forms, and provided the court confirms the  
175 defendant in the foreclosure action is a mortgagor and that said  
176 mortgagor has sent a copy of the mediation certificate form to the  
177 plaintiff, the court shall assign the case to mediation and issue notice of  
178 such assignment to all appearing parties, which notice shall include an  
179 electronic mail address for all communications related to the mediation.  
180 The court shall issue such notice not earlier than the date five business  
181 days after the return date or by the date three business days after the  
182 date on which the court receives the mortgagor's appearance and

183 foreclosure mediation certificate forms, whichever is later, except that if  
184 the court does not receive the appearance and foreclosure mediation  
185 certificate forms from the mortgagor by the date fifteen days after the  
186 return date for the foreclosure action, the court shall not assign the case  
187 to mediation. Promptly upon receipt of the notice of assignment, but not  
188 later than the thirty-fifth day following the return date, the mortgagee  
189 or its counsel shall deliver to the mediator, via the electronic mail  
190 address provided for communications related to the mediation, and to  
191 the mortgagor, via first class, priority or overnight mail, [(A)] (1) an  
192 account history identifying all credits and debits assessed to the loan  
193 account and any related escrow account in the immediately preceding  
194 twelve-month period and an itemized statement of the amount required  
195 to reinstate the mortgage loan with accompanying information, written  
196 in plain language, to explain any codes used in the history and statement  
197 which are not otherwise self-explanatory, [(B)] (2) the name, business  
198 mailing address, electronic mail address, facsimile number and direct  
199 telephone number of an individual able to respond with reasonable  
200 adequacy and promptness to questions relative to the information  
201 submitted to the mediator pursuant to this subdivision, and any  
202 subsequent updates to such contact information, which shall be  
203 provided reasonably promptly to the mediator via the electronic mail  
204 address provided for communication related to the mediation, [(C)] (3)  
205 current versions of all reasonably necessary forms and a list of all  
206 documentation reasonably necessary for the mortgagee to evaluate the  
207 mortgagor for common alternatives to foreclosure that are available  
208 through the mortgagee, if any, [(D)] (4) a copy of the note and mortgage,  
209 including any agreements modifying such documents, [(E)] (5)  
210 summary information regarding the status of any pending foreclosure  
211 avoidance efforts being undertaken by the mortgagee, [(F)] (6) a copy of  
212 any loss mitigation affidavit filed with the court, [and (G)] (7) at the  
213 mortgagee's option, [(i) the history of foreclosure avoidance efforts with  
214 respect to the mortgagor, (ii)] (A) information regarding the condition  
215 of mortgaged property, and [(iii)] (B) such other information as the  
216 mortgagee may determine is relevant to meeting the objectives of the  
217 mediation program, (8) if the mortgage is a federally backed mortgage

218 loan, as defined in Section 4022 of P.L. 116-136, the history of the  
219 mortgagee's compliance with any obligation to notify the mortgagor of  
220 loss mitigation or foreclosure alternative options available for federally  
221 backed mortgage loans, including, without limitation, any such options  
222 required or made available pursuant to any order, directive or  
223 regulation issued by any federal governmental authority in response to  
224 COVID-19 during the public health and civil preparedness emergencies  
225 declared by the Governor on March 10, 2020, or any extension of such  
226 declarations, and (9) the history of foreclosure avoidance efforts  
227 voluntarily undertaken by the mortgagee with respect to the mortgagor.  
228 For the purposes of this subsection, "COVID-19" means the respiratory  
229 disease designated by the World Health Organization on February 11,  
230 2020, as coronavirus 2019, and any related mutation thereof recognized  
231 by the World Health Organization as a communicable respiratory  
232 disease. Following the mediator's receipt of such information, the court  
233 shall assign a mediator to the mediation and schedule a meeting with  
234 the mediator and all mortgagors who are relevant and necessary to the  
235 mediation and to any agreement being contemplated in connection with  
236 the mediation and shall endeavor to hold such meeting on or prior to  
237 the forty-ninth day following the return date. The notice of such meeting  
238 shall instruct the mortgagor to complete the forms prior to the meeting  
239 and to furnish such forms together with the documentation contained  
240 in the list, as provided by the mortgagee following the filing of the  
241 foreclosure mediation certificate, at the meeting. At such meeting, the  
242 mediator shall review such forms and documentation with the  
243 mortgagor, along with the information supplied by the mortgagee, in  
244 order to discuss the options that may be available to the mortgagor,  
245 including any community-based resources, and assist the mortgagor in  
246 completing the forms and furnishing the documentation necessary for  
247 the mortgagee to evaluate the mortgagor for alternatives to foreclosure.  
248 The mediator may elect to [schedule subsequent meetings with the  
249 mortgagor and] conduct such meeting or any subsequent meeting with  
250 the mortgagor on a virtual platform approved by the mediator and may  
251 determine whether any mortgagor may be excused from an in-person  
252 appearance at such meeting or subsequent meeting. The mediator may



253 excuse any mortgagor from attending such meeting or any subsequent  
254 meetings, provided the mortgagor shows good cause for  
255 nonattendance. Such good cause may include, but is not limited to, the  
256 mortgagor no longer owning the home pursuant to a judgment of  
257 marital dissolution and related transfer via deed, or no longer residing  
258 in the home and not being a necessary party to any agreement being  
259 contemplated in connection with the mediation. As soon as practicable,  
260 but in no case later than the eighty-fourth day following the return date,  
261 or the extended deadline if such an extended deadline is established  
262 pursuant to this subdivision, the mediator shall facilitate and confirm  
263 the submission by the mortgagor of the forms and documentation to the  
264 mortgagee's counsel via electronic means and, at the mortgagee's  
265 election, directly to the mortgagee per the mortgagee's instruction, and  
266 determine, based on the participating mortgagor's attendance at the  
267 meetings and the extent the mortgagor completed the forms and  
268 furnished the documentation contemplated in this subdivision, or failed  
269 to perform such tasks through no material fault of the mortgagee, and  
270 file a report with the court indicating, [(I)] (A) whether mediation shall  
271 be scheduled with the mortgagee, [(II)] (B) whether the mortgagor  
272 attended scheduled meetings with the mediator, [(III)] (C) whether the  
273 mortgagor fully or substantially completed the forms and furnished the  
274 documentation requested by the mortgagee, [(IV)] (D) the date on which  
275 the mortgagee supplied the forms and documentation, and [(V)] (E) any  
276 other information the mediator determines to be relevant to the  
277 objectives of the mediation program. The mediator may file, and the  
278 court may grant, a motion for extension of the premediation period  
279 beyond the eighty-fourth day following the return date if good cause  
280 can be shown for such an extension. Any such motion shall be filed, with  
281 a copy simultaneously sent to the mortgagee and as soon as practicable  
282 to the mortgagor, not later than the eighty-fourth day following the  
283 return date. The mortgagee and mortgagor shall each have five business  
284 days from the day the motion was filed to file an objection or  
285 supplemental papers, and the court shall issue its ruling, without a  
286 hearing, not later than ten business days from the date the motion was  
287 filed. If the court determines that good cause exists for an extension, the

288 court shall therewith establish an extended deadline so that the  
289 premediation period shall end as soon thereafter as may be practicable,  
290 but not later than thirty-five days from the date of the ruling, taking into  
291 account the complexity of the mortgagor's financial circumstances, the  
292 mortgagee's documentation requirements, and the timeliness of the  
293 mortgagee's and mortgagor's compliance with their respective  
294 premediation obligations. If the court denies the mediator's motion, the  
295 extended deadline for purposes of this subdivision shall be three days  
296 after the court rules on the motion. No meeting or communication  
297 between the mediator and mortgagor under this subdivision shall be  
298 treated as an impermissible ex parte communication. If the mediator  
299 determines that the mortgagee shall participate in mediation, the court  
300 shall promptly issue notice to all parties of such determination and  
301 schedule a mediation session between the mortgagee and all  
302 mortgagors who are relevant and necessary to the mediation and to any  
303 agreement being contemplated in connection with the mediation, in  
304 accordance with subsection [(c)] (a) of section 49-31n, as amended by  
305 this act, to be held not later than five weeks following the submission to  
306 the mortgagee of the forms and documentation contemplated in this  
307 [subdivision] subsection. The mediator may excuse any mortgagor from  
308 attending the mediation session or subsequent meetings, provided good  
309 cause is shown for nonattendance. Such good cause may include, but is  
310 not limited to, the mortgagor no longer owning the home pursuant to a  
311 judgment of marital dissolution and related transfer via deed, no longer  
312 residing in the home or not being a necessary party to any agreement  
313 being contemplated in connection with the mediation. If the mediator  
314 determines that no sessions between the mortgagee and mortgagor shall  
315 be scheduled, the court shall promptly issue notice to all parties  
316 regarding such determination and mediation shall be terminated. Any  
317 mortgagor wishing to contest such determination shall petition the  
318 court and show good cause for reinclusion in the mediation program,  
319 including, but not limited to, a material change in financial  
320 circumstances or a mistake or misunderstanding of the facts by the  
321 mediator.

322 [(5)] (e) Notwithstanding the provisions of this [subsection] section,  
323 the court may refer a foreclosure action brought by a mortgagee to the  
324 Ezequiel Santiago Foreclosure Mediation Program established pursuant  
325 to section 49-31m at any time, for good cause shown, provided the  
326 mortgagor has filed an appearance in said action and further provided  
327 the court shall, not later than the date three business days after the date  
328 on which it makes such referral, send a notice to each appearing party  
329 assigning the case to mediation and requiring the parties to participate  
330 in the premediation process described in [subdivision (4) of this]  
331 subsection (d) of this section, with the court establishing deadlines to  
332 ensure that the premediation process is to be completed by the parties  
333 as expeditiously as the circumstances warrant and permit. When  
334 determining whether good cause exists, the court shall consider whether  
335 the parties are likely to benefit from mediation and, in the case of a  
336 referral after prior attempts at mediation have been terminated, whether  
337 there has been a material change in circumstances.

338 [(6)] (f) Notwithstanding any provision of the general statutes or any  
339 rule of law, prior to July 1, [2023, (A)] 2029, (1) for the period of time  
340 which shall not exceed eight months from the return date, the  
341 mortgagor shall be permitted to file an answer, special defenses or  
342 counterclaims, but no mortgagee or mortgagor shall make any motion,  
343 request or demand with respect to the other, except those motions,  
344 requests or demands that relate to the mediation program described in  
345 section 49-31m and the mediation sessions held pursuant to such  
346 program, provided [(i)] (A) a mortgagor seeking to contest the court's  
347 jurisdiction may file a motion to dismiss and the mortgagee may object  
348 to such motion to dismiss in accordance with applicable law and the  
349 rules of the courts, and [(ii)] (B) if the mortgagor elects to make any other  
350 motion, request or demand with respect to the mortgagee, the eight-  
351 month limit shall no longer apply to either party; and [(B)] (2) no  
352 judgment of strict foreclosure nor any judgment ordering a foreclosure  
353 sale shall be entered in any action subject to the provisions of this  
354 subsection and instituted by the mortgagee to foreclose a mortgage on  
355 residential real property or real property owned by a religious

356 organization unless: [(i)] (A) The mediation period set forth in  
357 subsection [(c)] (a) of section 49-31n, as amended by this act, has expired  
358 or has otherwise terminated, whichever is earlier, and, if fewer than  
359 eight months has elapsed from the return date at the time of termination,  
360 fifteen days have elapsed since such termination and any pending  
361 motion or request to extend the mediation period has been heard and  
362 denied by the court, or [(ii)] (B) the mediation program is not otherwise  
363 required or available. Nothing in this subdivision shall affect any  
364 motion made or any default or judgment entered on or before June 30,  
365 2011.

366 [(7)] (g) With respect to foreclosure actions with a return date during  
367 the period from July 1, 2011, to June 30, [2023] 2029, inclusive,  
368 notwithstanding any provision of the general statutes or any rule of law  
369 to the contrary, the mortgagee shall be permitted following the eight-  
370 month or fifteen-day period described in [subdivision (6) of this]  
371 subsection (f) of this section, to simultaneously file, as applicable, [(A)]  
372 (1) a motion for default, and [(B)] (2) a motion for judgment of strict  
373 foreclosure or a motion for judgment of foreclosure by sale with respect  
374 to the mortgagor in the foreclosure action.

375 [(8)] (h) None of the mortgagor's or mortgagee's rights in the  
376 foreclosure action shall be waived by participation in the Ezequiel  
377 Santiago Foreclosure Mediation Program.

378 Sec. 2. Section 49-31n of the general statutes is repealed and the  
379 following is substituted in lieu thereof (*Effective October 1, 2021*):

380 [(a) Prior to July 1, 2023: (1) Any action for the foreclosure of a  
381 mortgage on residential real property with a return date during the  
382 period from July 1, 2008, to June 30, 2009, inclusive, shall be subject to  
383 the provisions of subsection (b) of this section, and (2) any action for the  
384 foreclosure of a mortgage on (A) residential real property with a return  
385 date during the period from July 1, 2009, to June 30, 2023, inclusive, or  
386 (B) real property owned by a religious organization with a return date  
387 during the period from October 1, 2011, to June 30, 2023, inclusive, shall

388 be subject to the provisions of subsection (c) of this section.

389 (b) (1) For any action for the foreclosure of a mortgage on residential  
390 real property with a return date during the period from July 1, 2008, to  
391 June 30, 2009, inclusive, the mediation period under the Ezequiel  
392 Santiago Foreclosure Mediation Program established pursuant to  
393 section 49-31m shall commence when the court sends notice to each  
394 appearing party that a foreclosure mediation request form has been  
395 submitted by a mortgagor to the court, which notice shall be sent not  
396 later than three business days after the court receives a completed  
397 foreclosure mediation request form. The mediation period shall  
398 conclude not later than the conclusion of the third mediation session  
399 between the mortgagor and mortgagee or seven months after the return  
400 date, whichever is earlier, except that the court may, in its discretion, for  
401 good cause shown, upon the motion of any party or the mediator,  
402 extend the mediation period subject to the provisions of subdivision (9)  
403 of this subsection or shorten the mediation period.

404 (2) The first mediation session shall be held not later than fifteen  
405 business days after the court sends notice to all parties that a foreclosure  
406 mediation request form has been submitted to the court. The mortgagor  
407 and mortgagee shall appear in person at each mediation session and  
408 shall have the ability to mediate, except that (A) if a party is represented  
409 by counsel, the party's counsel may appear in lieu of the party to  
410 represent the party's interests at the mediation, provided the party has  
411 the ability to mediate, and the party is available (i) during the mediation  
412 session by telephone, and (ii) to participate in the mediation session by  
413 speakerphone, provided an opportunity is afforded for confidential  
414 discussions between the party and party's counsel, (B) following the  
415 initial mediation session, if there are two or more mortgagors who are  
416 self-represented, only one mortgagor shall be required to appear in  
417 person at each subsequent mediation session unless good cause is  
418 shown, provided the other mortgagors are available (i) during the  
419 mediation session, and (ii) to participate in the mediation session by  
420 speakerphone, (C) if a party suffers from a disability or other significant  
421 hardship that imposes an undue burden on such party to appear in

422 person, the mediator may grant permission to such party to participate  
423 in the mediation session by telephone, and (D) a mortgagor may be  
424 excused from appearing at the mediation session if good cause is shown  
425 that the presence of such mortgagor is not needed to further the interests  
426 of mediation. Such good cause may include, but is not limited to, the  
427 mortgagor no longer owning the home pursuant to a judgment of  
428 marital dissolution and related transfer via deed, no longer residing in  
429 the home or not being a necessary party to any agreement being  
430 contemplated in connection with the mediation. A mortgagor's spouse,  
431 who is not a mortgagor but who lives in the subject property, may  
432 appear at each mediation session, provided all appearing mortgagors  
433 consent, in writing, to such spouse's appearance or such spouse shows  
434 good cause for his or her appearance and the mortgagors consent in  
435 writing to the disclosure of nonpublic personal information to such  
436 spouse. If the mortgagor has submitted a complete package of financial  
437 documentation in connection with a request for a particular foreclosure  
438 alternative, the mortgagee shall have thirty-five days from the receipt of  
439 the completed package to respond with a decision and, if the decision is  
440 a denial of the request, provide the reasons for such denial. If the  
441 mortgagor has, in connection with a request for a foreclosure  
442 alternative, submitted a financial package that is not complete, or if the  
443 mortgagee's evaluation of a complete package reveals that additional  
444 information is necessary to underwrite the request, the mortgagee shall  
445 request the missing or additional information within a reasonable  
446 period of time of such evaluation. If the mortgagee's evaluation of a  
447 complete package reveals that additional information is necessary to  
448 underwrite the request, the thirty-five-day deadline for a response shall  
449 be extended but only for so long as is reasonable given the timing of the  
450 mortgagor's submission of such additional information and the nature  
451 and context of the required underwriting. Not later than the third  
452 business day after each mediation session held on or after June 18, 2013,  
453 the mediator shall file with the court a report indicating, to the extent  
454 applicable, (i) the extent to which each of the parties complied with the  
455 requirements set forth in this subdivision, including the requirement to  
456 engage in conduct that is consistent with the objectives of the mediation

457 program and to possess the ability to mediate, (ii) whether the  
458 mortgagor submitted a complete package of financial documentation to  
459 the mortgagee, (iii) a general description of the foreclosure alternative  
460 being requested by the mortgagor, (iv) whether the mortgagor has  
461 previously been evaluated for similar requests, whether prior to  
462 mediation or in mediation, and, if so, whether there has been any  
463 apparent change in circumstances since a decision was made with  
464 respect to that prior evaluation, (v) whether the mortgagee has  
465 responded to the mortgagor's request for a foreclosure alternative and,  
466 if so, a description of the response and whether the mediator is aware of  
467 any material reason not to agree with the response, (vi) whether the  
468 mortgagor has responded to an offer made by the mortgagee on a  
469 reasonably timely basis, and if so, an explanation of the response, (vii)  
470 whether the mortgagee has requested additional information from the  
471 mortgagor and, if so, the stated reasons for the request and the date by  
472 which such additional information shall be submitted so that  
473 information previously submitted by the mortgagor, to the extent  
474 possible, may still be used by the mortgagee in conducting its review,  
475 (viii) whether the mortgagor has supplied, on a reasonably timely basis,  
476 any additional information that was reasonably requested by the  
477 mortgagee, and, if not, the stated reason for not doing so, (ix) if  
478 information provided by the mortgagor is no longer current for  
479 purposes of evaluating a foreclosure alternative, a description of the  
480 out-of-date information and an explanation as to how and why such  
481 information is no longer current, (x) whether the mortgagee has  
482 provided a reasonable explanation of the basis for a decision to deny a  
483 request for a loss mitigation option or foreclosure alternative and  
484 whether the mediator is aware of any material reason not to agree with  
485 that decision, (xi) whether the mortgagee has complied with the time  
486 frames set forth in this subdivision for responding to requests for  
487 decisions, (xii) if a subsequent mediation session is expected to occur, a  
488 general description of the expectations for such subsequent session and  
489 for the parties prior to such subsequent session and, if not otherwise  
490 addressed in the report, whether the parties satisfied the expectations  
491 set forth in previous reports, and (xiii) a determination of whether the

492 parties will benefit from further mediation. The mediator shall deliver a  
493 copy of such report to each party to the mediation when the mediator  
494 files the report. The parties shall have the opportunity to submit their  
495 own supplemental information following the filing of the report,  
496 provided such supplemental information shall be submitted not later  
497 than five business days following the receipt of the mediator's report.  
498 Any request by the mortgagee to the mortgagor for additional or  
499 updated financial documentation shall be made in writing. The court  
500 may impose sanctions on any party or on counsel to a party if such party  
501 or such counsel engages in intentional or a pattern or practice of conduct  
502 during the mediation process that is contrary to the objectives of the  
503 mediation program. Any sanction that is imposed shall be proportional  
504 to the conduct and consistent with the objectives of the mediation  
505 program. Available sanctions shall include, but not be limited to,  
506 terminating mediation, ordering the mortgagor or mortgagee to  
507 mediate in person, forbidding the mortgagee from charging the  
508 mortgagor for the mortgagee's attorney's fees, awarding attorney's fees,  
509 and imposing fines. In the case of egregious misconduct, the sanctions  
510 shall be heightened. The court shall not award attorney's fees to any  
511 mortgagee for time spent in any mediation session if the court finds that  
512 such mortgagee has failed to comply with this subdivision, unless the  
513 court finds reasonable cause for such failure.

514 (3) If the mediator reports to the court that the parties will not benefit  
515 from further mediation, the mediation period shall terminate  
516 automatically. If the mediator reports to the court after the first or  
517 second mediation session that the parties may benefit from further  
518 mediation, the mediation period shall continue.

519 (4) If the mediation period concludes and certain issues have not been  
520 resolved pursuant to the mediation, the mediator may refer the  
521 mortgagor to any appropriate community-based services that are  
522 available.

523 (5) The Chief Court Administrator shall establish policies and  
524 procedures to implement this subsection. Such policies and procedures



525 shall, at a minimum, provide that the mediator shall advise the  
526 mortgagor at the first meeting required by subdivision (4) of subsection  
527 (c) of section 49-311 that a judgment of strict foreclosure or foreclosure  
528 by sale may cause the mortgagor to lose the residential real property to  
529 foreclosure.

530 (6) In no event shall any determination issued by a mediator under  
531 this program form the basis of an appeal of any foreclosure judgment.

532 (7) Foreclosure mediation request forms shall not be accepted by the  
533 court under this subsection on or after July 1, 2023, and the Ezequiel  
534 Santiago Foreclosure Mediation Program shall terminate when all  
535 mediation has concluded with respect to any applications submitted to  
536 the court prior to July 1, 2023.

537 (8) At any time during the mediation period, the mediator may refer  
538 a mortgagor who is the owner-occupant of one-to-four family  
539 residential real property to the mortgage assistance programs, except  
540 that any such referral shall not prevent a mortgagee from proceeding to  
541 judgment when the conditions specified in subdivision (6) of subsection  
542 (b) of section 49-311 have been satisfied.

543 (9) (A) The mediation period shall conclude following the third  
544 mediation session or if more than seven months have elapsed since the  
545 return date. Not later than fifteen days following the conclusion of the  
546 mediation period, and any extended mediation sessions held in  
547 accordance with this subdivision, any party may move for, or the  
548 mediator may request, an extension of the mediation period. The court  
549 shall grant only one additional mediation session per motion or request  
550 upon a finding that it is highly probable the parties will reach an  
551 agreement through mediation. The court may also grant one additional  
552 mediation session per motion or request upon a finding that any party  
553 has engaged, either intentionally or by a pattern or practice, in conduct  
554 that is contrary to the objectives of the mediation program. The court  
555 shall make its ruling not later than twenty days after the filing of such  
556 motion or request, and no judgment of strict foreclosure or any

557 judgment ordering a foreclosure sale shall be entered until (i) the court  
558 denies the motion or request, or (ii) the conclusion of the extended  
559 mediation session, except as provided in subparagraph (B) of this  
560 subdivision. Upon the grant of an additional mediation session  
561 following the proper finding, the court shall establish an expeditious  
562 deadline for such extended mediation session to occur. Such extended  
563 mediation period shall conclude following such extended mediation  
564 session.

565 (B) The mediation period may be extended for one additional  
566 mediation session without a hearing held pursuant to this subdivision  
567 provided all parties to the mediation agree that such parties would  
568 benefit from such a session and, in consultation with the mediator,  
569 establish an expeditious deadline for such session to take place.

570 (C) To determine whether to extend mediation, the court may  
571 consider all matters that have arisen in the mediation, including, but not  
572 limited to, the number of motions to extend mediation, the reasons for  
573 which an agreement has not been reached, the objectives of the  
574 mediation program, the extent to which the parties will benefit from  
575 further mediation, the reports submitted by the mediator, papers  
576 submitted in connection with any motion, and any supplemental  
577 reports submitted by a party. The court shall articulate its reasons in the  
578 order granting or denying any such motion or request to extend  
579 mediation.

580 (10) For any case pending as of October 1, 2013, in which mediation  
581 is ongoing, (A) if three or fewer sessions have been held, such case shall  
582 be treated as if no sessions have been held as of said date for purposes  
583 of subdivision (9) of this subsection, and (B) if four or more sessions  
584 have been held, then any party or the mediator may move to terminate  
585 the mediation period or extend such period in accordance with  
586 subdivision (9) of this subsection and, if no such motion to extend is  
587 made, the mediation period shall conclude after the third mediation  
588 session occurring after October 1, 2013.]

589 [(c) (1)] (a) For any action for the foreclosure of a mortgage on  
590 residential real property with a return date during the period from July  
591 1, 2009, to June 30, [2023] 2029, inclusive, or for any action for the  
592 foreclosure of a mortgage on real property owned by a religious  
593 organization with a return date during the period from October 1, 2011,  
594 to June 30, [2023] 2029, inclusive, the mediation period under the  
595 Ezequiel Santiago Foreclosure Mediation Program established pursuant  
596 to section 49-31m shall commence when the court sends notice to each  
597 appearing party scheduling the first foreclosure mediation session. The  
598 mediation period shall conclude not later than the conclusion of the  
599 third mediation session between the mortgagor and mortgagee or seven  
600 months after the return date, whichever is earlier, except that the court  
601 may, in its discretion, for good cause shown, upon the motion of any  
602 party or request by the mediator, extend the mediation period subject to  
603 the provisions of [subdivision (9) of this subsection] subsection (i) of this  
604 section or shorten the mediation period.

605 [(2) The mortgagor and mortgagee shall appear in person at each] (b)  
606 Each mediation session shall be conducted in person, unless the  
607 mediator elects to conduct the mediation session on a virtual platform  
608 or grants permission to a party, or to the party's counsel, to appear at  
609 the mediation session on a virtual platform approved by the mediator.  
610 In determining whether to conduct a mediation session on a virtual  
611 platform or to grant permission to appear at a mediation session on a  
612 virtual platform, the mediator may consider the desires of the parties  
613 and the parties' counsel, the technological and physical capabilities of  
614 the parties and the parties' counsel and the objectives of the mediation  
615 program. The mortgagor and mortgagee shall appear at each mediation  
616 session, in person or on a virtual platform, as applicable, and shall have  
617 the ability to mediate, except that [(A)] (1) if a party is represented by  
618 counsel, the party's counsel may appear in lieu of the party to represent  
619 the party's interests at the mediation, provided the party has the ability  
620 to mediate and the party is available [(i)] (A) during the mediation  
621 session by telephone, and [(ii)] (B) to participate in the mediation session  
622 by speakerphone or teleconference, provided an opportunity is afforded

623 for confidential discussions between the party and party's counsel, [(B)]  
624 (2) following the initial mediation session, if there are two or more  
625 mortgagors who are self-represented, only one mortgagor shall be  
626 required to appear [in person] at each subsequent mediation session  
627 unless good cause is shown, provided the other mortgagors are  
628 available [(i)] (A) during the mediation session, and [(ii)] (B) to  
629 participate in the mediation session by speakerphone or teleconference,  
630 [(C)] (3) if a party suffers from a disability or other significant hardship  
631 that imposes an undue burden on such party to appear in person, the  
632 mediator may grant permission to such party to participate in the  
633 mediation session by telephone, and [(D)] (4) a mortgagor may be  
634 excused from appearing at the mediation session if cause is shown that  
635 the presence of such mortgagor is not needed to further the interests of  
636 mediation. Such cause may include, but is not limited to, the mortgagor  
637 no longer owning the home pursuant to a judgment of marital  
638 dissolution and related transfer via deed or no longer residing in the  
639 home or not being a necessary party to any agreement being  
640 contemplated in connection with the mediation. A mortgagor's spouse,  
641 who is not a mortgagor but who lives in the subject property, may  
642 appear at each mediation session, provided all appearing mortgagors  
643 consent, in writing, to such spouse's appearance or such spouse shows  
644 good cause for his or her appearance and the mortgagors consent, in  
645 writing, to the disclosure of nonpublic personal information to such  
646 spouse. If the mortgagor has submitted a complete package of financial  
647 documentation in connection with a request for a particular foreclosure  
648 alternative, the mortgagee shall have thirty-five days from the receipt of  
649 the completed package to respond with a decision and, if the decision is  
650 a denial of the request, provide the reasons for such denial. If the  
651 mortgagor has, in connection with a request for a foreclosure  
652 alternative, submitted a financial package that is not complete, or if the  
653 mortgagee's evaluation of a complete package reveals that additional  
654 information is necessary to underwrite the request, the mortgagee shall  
655 request the missing or additional information within a reasonable  
656 period of time of such evaluation. If the mortgagee's evaluation of a  
657 complete package reveals that additional information is necessary to

658 underwrite the request, the thirty-five-day deadline for a response shall  
659 be extended but only for so long as is reasonable given the timing of the  
660 mortgagor's submission of such additional information and the nature  
661 and context of the required underwriting. Not later than the third  
662 business day after each mediation session, the mediator shall file with  
663 the court a report indicating, to the extent applicable, [(i)] (A) the extent  
664 to which each of the parties complied with the requirements set forth in  
665 this subdivision, including the requirement to engage in conduct that is  
666 consistent with the objectives of the mediation program and to possess  
667 the ability to mediate, [(ii)] (B) whether the mortgagor submitted a  
668 complete package of financial documentation to the mortgagee, [(iii)]  
669 (C) a general description of the foreclosure alternative being requested  
670 by the mortgagor, [(iv)] (D) whether the mortgagor has previously been  
671 evaluated for similar requests, whether prior to mediation or in  
672 mediation, and, if so, whether there has been any apparent change in  
673 circumstances since a decision was made with respect to that prior  
674 evaluation, [(v)] (E) whether the mortgagee has responded to the  
675 mortgagor's request for a foreclosure alternative and, if so, a description  
676 of the response and whether the mediator is aware of any material  
677 reason not to agree with the response, [(vi)] (F) whether the mortgagor  
678 has responded to an offer made by the mortgagee on a reasonably timely  
679 basis, and if so, an explanation of the response, [(vii)] (G) whether the  
680 mortgagee has requested additional information from the mortgagor  
681 and, if so, the stated reasons for the request and the date by which such  
682 additional information shall be submitted so that information  
683 previously submitted by the mortgagor, to the extent possible, may still  
684 be used by the mortgagee in conducting its review, [(viii)] (H) whether  
685 the mortgagor has supplied, on a reasonably timely basis, any  
686 additional information that was reasonably requested by the mortgagee,  
687 and, if not, the stated reason for not doing so, [(ix)] (I) if information  
688 provided by the mortgagor is no longer current for purposes of  
689 evaluating a foreclosure alternative, a description of the out-of-date  
690 information and an explanation as to how and why such information is  
691 no longer current, [(x)] (J) if the mortgage is a federally backed mortgage  
692 loan, as defined in Section 4022 of P.L. 116-136, the history of the

693 mortgagee's compliance with any obligation to notify the mortgagor of  
694 loss mitigation or foreclosure alternative options available for federally  
695 backed mortgage loans, including, without limitation, any such options  
696 required or made available pursuant to any order, directive or  
697 regulation issued by any federal governmental authority in response to  
698 COVID-19, as defined in subsection (d) of section 49-31l, as amended by  
699 this act, during the public health and civil preparedness emergencies  
700 declared by the Governor on March 10, 2020, or any extension of such  
701 declarations, (K) the history of foreclosure avoidance efforts voluntarily  
702 undertaken by the mortgagee with respect to the mortgagor, (L)  
703 whether the mortgagee has provided a reasonable explanation of the  
704 basis for a decision to deny a request for a loss mitigation option or  
705 foreclosure alternative and whether the mediator is aware of any  
706 material reason not to agree with that decision, [(xi)] (M) whether the  
707 mortgagee has complied with the time frames set forth in this  
708 subdivision for responding to requests for decisions, [(xii)] (N) if a  
709 subsequent mediation session is expected to occur, a general description  
710 of the expectations for such subsequent session and for the parties prior  
711 to such subsequent session and, if not otherwise addressed in the report,  
712 whether the parties satisfied the expectations set forth in previous  
713 reports, and [(xiii)] (O) a determination of whether the parties will  
714 benefit from further mediation. The mediator shall deliver a copy of  
715 such report to each party to the mediation when the mediator files the  
716 report. The parties shall have the opportunity to submit their own  
717 supplemental information following the filing of the report, provided  
718 such supplemental information shall be submitted not later than five  
719 business days following the receipt of the mediator's report. Any  
720 request by the mortgagee to the mortgagor for additional or updated  
721 financial documentation shall be made in writing. The court may  
722 impose sanctions on any party or on counsel to a party if such party or  
723 such counsel engages in intentional or a pattern or practice of conduct  
724 during the mediation process that is contrary to the objectives of the  
725 mediation program. Any sanction that is imposed shall be proportional  
726 to the conduct and consistent with the objectives of the mediation  
727 program. Available sanctions shall include, but not be limited to,

728 terminating mediation, ordering the mortgagor or mortgagee to  
729 mediate in person, forbidding the mortgagee from charging the  
730 mortgagor for the mortgagee's attorney's fees, awarding attorney's fees,  
731 and imposing fines. In the case of egregious misconduct, the sanctions  
732 shall be heightened. The court shall not award attorney's fees to any  
733 mortgagee for time spent in any mediation session if the court finds that  
734 such mortgagee has failed to comply with this subdivision, unless the  
735 court finds reasonable cause for such failure.

736 [(3)] (c) If the mediator reports to the court that the parties will not  
737 benefit from further mediation, the mediation period shall terminate  
738 automatically. If the mediator reports to the court after the first or  
739 second mediation session that the parties may benefit from further  
740 mediation, the mediation period shall continue.

741 [(4)] (d) If the mediation period concludes and certain issues have not  
742 been resolved pursuant to the mediation, the mediator may refer the  
743 mortgagor to any appropriate community-based services that are  
744 available in the judicial district, but any such referral shall not cause a  
745 delay in the mediation process.

746 [(5)] (e) The Chief Court Administrator shall establish policies and  
747 procedures to implement this [subsection] section. Such policies and  
748 procedures shall, at a minimum, provide that the mediator shall advise  
749 the mortgagor at the first meeting required by [subdivision (4) of  
750 subsection (c)] subsection (d) of section 49-31l, as amended by this act,  
751 that: [(A)] (1) Such mediation does not suspend the mortgagor's  
752 obligation to respond to the foreclosure action beyond the limited time  
753 frame described in [subdivision (6) of subsection (c)] subsection (f) of  
754 section 49-31l, as amended by this act; and [(B)] (2) a judgment of strict  
755 foreclosure or foreclosure by sale may cause the mortgagor to lose the  
756 residential real property or real property owned by a religious  
757 organization to foreclosure.

758 [(6)] (f) In no event shall any determination issued by a mediator  
759 under this program form the basis of an appeal of any foreclosure

760 judgment.

761 [(7)] (g) The foreclosure mediation program shall terminate when all  
762 mediation has concluded with respect to any foreclosure action with a  
763 return date during the period from July 1, 2009, to June 30, [2023] 2029,  
764 inclusive.

765 [(8)] (h) At any time during the mediation period, the mediator may  
766 refer a mortgagor who is the owner-occupant of one-to-four family  
767 residential real property to the mortgage assistance programs, except  
768 that any such referral shall not prevent a mortgagee from proceeding to  
769 judgment when the conditions specified in [subdivision (6) of  
770 subsection (c)] subsection (f) of section 49-311, as amended by this act,  
771 have been satisfied.

772 [(9) (A)] (i) (1) The mediation period shall conclude following the  
773 third mediation session or if more than seven months have elapsed since  
774 the return date. Not later than fifteen days following the conclusion of  
775 the mediation period, and any subsequent extended mediation sessions  
776 held in accordance with this subdivision, any party may move for, or  
777 the mediator may request, an extension of the mediation period. The  
778 court shall grant only one additional mediation session per motion or  
779 request upon a finding that it is highly probable the parties will reach  
780 an agreement through mediation. The court may also grant one  
781 additional mediation session per motion or request upon a finding that  
782 any party has engaged, either intentionally or by a pattern or practice,  
783 in conduct that is contrary to the objectives of the mediation program.  
784 The court shall make its ruling not later than twenty days after the filing  
785 of such motion or request, and no judgment of strict foreclosure or any  
786 judgment ordering a foreclosure sale shall be entered until [(i)] (A) the  
787 court denies the motion or request, or [(ii)] (B) the conclusion of the  
788 subsequent extended mediation session, except as provided in  
789 [subparagraph (B) of this] subdivision (2) of this subsection. Upon the  
790 grant of an additional mediation session following the proper finding,  
791 the court shall establish a reasonably expeditious deadline for such  
792 subsequent extended mediation session to occur. Such extended



793 mediation period shall conclude following such subsequent extended  
794 mediation session.

795 [(B)] (2) The mediation period may be extended for one additional  
796 mediation session without a hearing held pursuant to this subdivision  
797 provided all parties to the mediation agree that such parties would  
798 benefit from such a session and, in consultation with the mediator,  
799 establish a reasonably expeditious deadline for such session to take  
800 place.

801 [(C)] (3) To determine whether to extend mediation, the court may  
802 consider all matters that have arisen in the mediation, including, but not  
803 limited to, the number of motions to extend mediation, the reasons for  
804 which an agreement has not been reached, the objectives of the  
805 mediation program, the extent to which the parties will benefit from  
806 further mediation, the reports submitted by the mediator, papers  
807 submitted in connection with any motion, and any supplemental  
808 reports submitted by a party. The court shall articulate its reasons in the  
809 order granting or denying any such motion or request to extend  
810 mediation.

811 [(10)] (j) For any case pending as of October 1, 2013, in which  
812 mediation is ongoing, [(A)] (1) if three or fewer sessions have been held,  
813 such case shall be treated as if no sessions have been held as of said date  
814 for purposes of [subdivision (9) of this] subsection (i) of this section, and  
815 [(B)] (2) if four or more sessions have been held, then any party or the  
816 mediator may move to terminate the mediation period or extend such  
817 period in accordance with [subdivision (9) of this] subsection (i) of this  
818 section and, if no such motion to extend is made, the mediation period  
819 shall conclude after the third mediation session occurring after October  
820 1, 2013.

821 [(d)] (1) Not later than February 14, 2014, the Chief Court  
822 Administrator shall submit, in accordance with the provisions of section  
823 11-4a, to the joint standing committee of the General Assembly having  
824 cognizance of matters relating to banking, a summary regarding the

825 mediation program and a general summary of the data collected in the  
826 reports submitted pursuant to subdivision (2) of subsections (b) and (c)  
827 of this section from July 1, 2013, to December 31, 2013, inclusive. Such  
828 summaries shall include, but not be limited to, the aggregate data  
829 regarding the number of cases in mediation, the number of mediation  
830 sessions held, the number of agreements reached before the conclusion  
831 of the mediation period, the number of motions or requests for an  
832 extension or continuance and the identity of the party that made such a  
833 motion or request, whether the loan at issue was serviced by a third  
834 party, the judicial district in which the mediation took place and  
835 whether the mortgagor was self-represented.

836 (2) Not later than March 1, 2021, and March 1, 2023, the Chief Court  
837 Administrator shall submit, in accordance with the provisions of section  
838 11-4a, to the joint standing committee of the General Assembly having  
839 cognizance of matters relating to banking, a summary of the reports  
840 submitted from July 1, 2013, to December thirty-first of the immediately  
841 preceding year, inclusive, pursuant to subdivision (2) of subsections (b)  
842 and (c) of this section. The detailed data points for such summary,  
843 including data to be collected but not reported, shall be developed by  
844 the Chief Court Administrator in consultation with representatives from  
845 the Governor's office, the Department of Banking, the banking industry  
846 and consumer advocates.]

847 Sec. 3. Subdivisions (8) and (9) of section 49-31k of the general statutes  
848 are repealed and the following is substituted in lieu thereof (*Effective*  
849 *October 1, 2021*):

850 (8) "Ability to mediate" means an exhibition on the part of the  
851 relevant person of a willingness, including a reasonable ability, to  
852 participate in the mediation process in a manner consistent with the  
853 objectives of the mediation program and in conformity with any  
854 obligations imposed in accordance with [subdivision (2) of subsection  
855 (b) or (c), as applicable, of] section 49-31n, as amended by this act,  
856 including, but not limited to, a willingness and reasonable ability to  
857 respond to questions and specify or estimate when particular decisions

858 will be made or particular information will be furnished and, with  
859 respect to the mortgagee, a reasonable familiarity with the loan file, any  
860 loss mitigation options that are available to the mortgagor and the  
861 material issues raised in prior mediation sessions. Reasonable  
862 familiarity with such material issues may be achieved by becoming  
863 reasonably familiar with the mediator reports submitted in accordance  
864 with [subdivision (4) of subsections (b) and (c)] subsection (b) of section  
865 49-31n, as amended by this act, to the extent such reports are available;

866 (9) "Permitted successor-in-interest" means a person who is a  
867 defendant in a foreclosure action with a return date on or after October  
868 1, 2015, and either (A) the former spouse of a decedent-mortgagor, who  
869 acquired sole title to the residential real property by virtue of a transfer  
870 from the decedent-mortgagor's estate or by virtue of the death of the  
871 decedent-mortgagor where title was held as joint tenants or tenants in  
872 the entirety, or (B) the spouse or former spouse of a mortgagor or former  
873 mortgagor who (i) acquired title to the residential real property by  
874 virtue of a transfer from such mortgagor or former mortgagor where  
875 such transfer resulted from a court decree dissolving the marriage, a  
876 legal separation agreement or a property settlement agreement  
877 incidental to such a decree or separation agreement, and (ii) ensures that  
878 all necessary consents to the disclosure of nonpublic personal financial  
879 information have been provided to the mortgagee in accordance with  
880 [subdivision (3) of] subsection (c) of section 49-31l, as amended by this  
881 act.

882 Sec. 4. Subsection (a) of section 49-31r of the general statutes is  
883 repealed and the following is substituted in lieu thereof (*Effective October*  
884 *1, 2021*):

885 (a) A mortgagee, as defined in section 49-8a, shall include the form  
886 promulgated by the Judicial Branch, in accordance with [subdivision (3)  
887 of] subsection (c) of section 49-31l, as amended by this act, concerning  
888 notice of community-based resources to parties involved in foreclosure  
889 mediation with any notice to a mortgagor, as defined in said section 49-  
890 8a, of an intent to accelerate the mortgage loan.

891 Sec. 5. Section 49-31v of the general statutes is repealed and the  
892 following is substituted in lieu thereof (*Effective October 1, 2021*):

893 The Ezequiel Santiago Foreclosure Mediation Program established  
894 pursuant to section 49-31m shall be funded within available  
895 appropriations and available until June 30, [2023] 2029. The size of such  
896 program shall be determined by available funding and the number and  
897 need of participants in such program.

898 Sec. 6. Section 8-265cc of the general statutes is repealed and the  
899 following is substituted in lieu thereof (*Effective October 1, 2021*):

900 As used in this section and sections [8-265cc] 8-265dd to 8-265kk,  
901 inclusive, as amended by this act, and section 11 of this act:

902 (1) "Aggregate family income" means the total income of persons  
903 residing in the same household as the [mortgagor] homeowner and any  
904 other resident of the household declared by the [mortgagor]  
905 homeowner as a dependent for federal tax purposes, from whatever  
906 source derived, including, but not limited to, pensions, annuities,  
907 retirement benefits and Social Security benefits, provided the authority  
908 may exclude from income (A) reasonable allowances for dependents,  
909 (B) reasonable allowances for medical expenses, (C) all or any part of the  
910 earnings of gainfully employed minors or family members other than  
911 the chief wage earner, (D) income not regularly received, and (E) such  
912 other expenses as the authority may allow;

913 (2) "Authority" means the Connecticut Housing Finance Authority  
914 created under section 8-244;

915 (3) "Mortgage" means a mortgage deed or other instrument which  
916 constitutes a first or second consensual lien, [on one-to-four family  
917 owner-occupied residential real property located in this state, including,  
918 but not limited to, a single-family unit in a common interest community]  
919 including a reverse mortgage or a home equity conversion mortgage, on  
920 residential real property;

921 (4) "Mortgagee" means the original lender under a mortgage, or its  
922 agents, successors, or assigns;

923 (5) "Mortgagor" means [the owner-occupant of a one-to-four family  
924 residential real property located in this state, including, but not limited  
925 to, a single family unit in a common interest community,] a homeowner  
926 who is also the borrower under a mortgage encumbering such real  
927 property;

928 (6) "Housing expense" means the sum of the [mortgagor's]  
929 homeowner's monthly maintenance expense in a common interest  
930 community, utility expense, heating expense, hazard insurance  
931 payment, taxes and required mortgage payment, including escrows;

932 (7) "Financial hardship due to circumstances beyond the  
933 [mortgagor's] homeowner's control" means a significant reduction of  
934 aggregate family household income or increase in expenses which  
935 reasonably cannot be or could not have been alleviated by the  
936 liquidation of assets by the [mortgagor] homeowner as determined by  
937 the Connecticut Housing Finance Authority, including, but not limited  
938 to, a reduction resulting from (A) (i) unemployment or  
939 underemployment of one or more of the [mortgagors] homeowners; (ii)  
940 a loss, reduction or delay in receipt of such federal, state or municipal  
941 benefits as Social Security, supplemental security income, public  
942 assistance and government pensions; (iii) a loss, reduction or delay in  
943 receipt of such private benefits as pension, disability, annuity or  
944 retirement benefits; (iv) divorce or a loss of support payments; (v)  
945 disability, illness or death of a [mortgagor] homeowner; or (B) (i) a  
946 significant increase in the dollar amount of the periodic payments  
947 required by the mortgage; (ii) an unanticipated rise in housing expenses;  
948 or (iii) expenses related to the disability, illness or death of a member of  
949 the [mortgagor's] homeowner's family, but does not include expenses  
950 related to the accumulation of credit or installment debt incurred for  
951 recreational or nonessential items prior to the occurrence of the alleged  
952 circumstances beyond the [mortgagor's] homeowner's control in an  
953 amount that would have caused the [mortgagor's] homeowner's total

954 debt service to exceed sixty per cent of aggregate family income at that  
955 time;

956 (8) "Consumer credit counseling agency" means a nonprofit  
957 corporation or governmental agency located in this state which has been  
958 designated by the authority to provide homeowners' emergency  
959 mortgage assistance program counseling. A qualified consumer credit  
960 counseling agency must either be certified as a housing counseling  
961 agency by the federal Department of Housing and Urban Development  
962 or otherwise determined accepted by the authority;

963 (9) "Foreclosure mediation program" means the Ezequiel Santiago  
964 Foreclosure Mediation Program established pursuant to section 49-31m;  
965 [and]

966 (10) "Periodic payments" means principal, interest, taxes, insurance  
967 and, if applicable, condominium fees;

968 (11) "Lien" means debt secured by a lien on residential real property  
969 pursuant to section 7-239, 7-254, 7-258 or 47-258 or chapter 205;

970 (12) "Lienholder" means the original lienor of a lien, or its agents,  
971 successors or assigns;

972 (13) "Homeowner" means the owner-occupant of residential real  
973 property; and

974 (14) "Residential real property" means a one-to-four family owner-  
975 occupied residential real estate located in this state, including, but not  
976 limited to, a single-family unit in a common interest community.

977 Sec. 7. Section 8-265dd of the general statutes is repealed and the  
978 following is substituted in lieu thereof (*Effective October 1, 2021*):

979 (a) Not later than January 1, 1994, the authority shall establish, within  
980 available funds, a program to provide emergency mortgage assistance  
981 payments to [mortgagors] homeowners who are mortgagors in  
982 accordance with the provisions of sections 8-265cc to 8-265kk, inclusive,

983 as amended by this act. On and after July 1, 2021, the program shall,  
984 within available funds, provide emergency lien assistance payments to  
985 homeowners in accordance with the provisions of said sections. Any  
986 necessary and related administrative and operational expenses incurred  
987 by the authority in implementing the program may be paid from funds  
988 made available for the program.

989 (b) Notwithstanding any provision of the general statutes, or any rule  
990 of law to the contrary, on and after July 1, 2008, no judgment of strict  
991 foreclosure nor any judgment ordering a foreclosure sale shall be  
992 entered in any action instituted by the mortgagee to foreclose a  
993 mortgage commenced on or after said date, for the foreclosure of an  
994 eligible mortgage unless (1) notice to [the mortgagor] the homeowner  
995 who is a mortgagor has been given by the mortgagee in accordance with  
996 section 8-265ee, as amended by this act, and the time for response has  
997 expired, and (2) a determination has been made on the [mortgagor's]  
998 homeowner's application for emergency mortgage assistance payments  
999 in accordance with section 8-265ff, as amended by this act, or the  
1000 applicable time periods set forth in sections 8-265cc to 8-265kk,  
1001 inclusive, as amended by this act, have expired, whichever is earlier. For  
1002 purposes of this section and sections 8-265ee to 8-265kk, inclusive, as  
1003 amended by this act, an "eligible mortgage" is a mortgage which satisfies  
1004 the standards contained in subdivisions (1), (7) and (9) to (12), inclusive,  
1005 of subsection (e) of section 8-265ff, as amended by this act.

1006 Sec. 8. Section 8-265ee of the general statutes is repealed and the  
1007 following is substituted in lieu thereof (*Effective October 1, 2021*):

1008 (a) On and after July 1, 2008, a mortgagee who desires to foreclose  
1009 upon a mortgage which satisfies the standards contained in  
1010 subdivisions (1), (9), (10) and (11) of subsection (e) of section 8-265ff, as  
1011 amended by this act, shall give notice to [the mortgagor] each  
1012 homeowner who is a mortgagor by registered, or certified mail, postage  
1013 prepaid at the address of the property which is secured by the mortgage.  
1014 No such mortgagee may commence a foreclosure of a mortgage prior to  
1015 mailing such notice. Such notice shall advise the [mortgagor]

1016 homeowner of his delinquency or other default under the mortgage and  
1017 shall state that the [mortgagor] homeowner has sixty days from the date  
1018 of such notice in which to (1) have a face-to-face meeting, telephone or  
1019 other conference acceptable to the authority with the mortgagee or a  
1020 face-to-face meeting with a consumer credit counseling agency to  
1021 attempt to resolve the delinquency or default by restructuring the loan  
1022 payment schedule or otherwise, and (2) contact the authority, at an  
1023 address and phone number contained in the notice, to obtain  
1024 information and apply for emergency mortgage assistance payments if  
1025 the [mortgagor] homeowner and mortgagee are unable to resolve the  
1026 delinquency or default.

1027 (b) Except in cases in which the mortgagee refuses to meet with the  
1028 [mortgagor] homeowner, if the [mortgagor] homeowner fails to meet  
1029 with the mortgagee or comply with any of the time limitations specified  
1030 in the notice as provided in subsection (a) of this section, or if the  
1031 [mortgagor's] homeowner's application is not filed by the date thirty  
1032 days after the date of any default in payment under an agreement as  
1033 provided in subsection (c) of this section or if the [mortgagor's]  
1034 homeowner's application for emergency mortgage assistance payments  
1035 is not approved by the date thirty calendar days after the date of receipt  
1036 of the [mortgagor's] homeowner's application in accordance with the  
1037 provisions of section 8-265ff, as amended by this act, the foreclosure of  
1038 the [mortgagor's] homeowner's mortgage may, at any time thereafter,  
1039 except as provided in subsection (e) of this section, continue without any  
1040 further restriction or requirement under the provisions of sections 8-  
1041 265cc to 8-265kk, inclusive, as amended by this act, provided the  
1042 mortgagee files an affidavit with the court stating the notice provisions  
1043 of subsection (a) of this section have been complied with and that either  
1044 the [mortgagor] homeowner failed to meet with the mortgagee or failed  
1045 to comply with all of the time limitations specified in the notice as  
1046 provided in subsection (a) of this section or that the [mortgagor's]  
1047 homeowner's application for emergency assistance payments was not  
1048 approved by the date thirty calendar days after the date of receipt of the  
1049 [mortgagor's] homeowner's application, or that a determination of



1050 ineligibility was made.

1051 (c) If, after a face-to-face meeting, telephone or other conference  
1052 acceptable to the authority, as provided in subsection (a) of this section,  
1053 the [mortgagor] homeowner and the mortgagee reach an agreement to  
1054 resolve the delinquency or default and, because of financial hardship  
1055 due to circumstances beyond the [mortgagor's] homeowner's control,  
1056 the [mortgagor] homeowner is unable to fulfill the obligations of the  
1057 agreement, the [mortgagor] homeowner may apply to the authority for  
1058 emergency mortgage assistance payments under sections 8-265cc to 8-  
1059 265kk, inclusive, as amended by this act, by the date thirty days after the  
1060 date of any default in payment under the agreement. The mortgagee  
1061 shall not be required to send any additional notice to the [mortgagor]  
1062 homeowner other than the notice required under subsection (a) of this  
1063 section.

1064 (d) Nothing in sections 8-265cc to 8-265kk, inclusive, as amended by  
1065 this act, shall prevent a [mortgagor] homeowner from exercising rights  
1066 that may exist under the foreclosure mediation program and those  
1067 rights may be exercised concurrently with the rights afforded under  
1068 sections 8-265cc to 8-265kk, inclusive, as amended by this act, provided  
1069 the exercise of rights under the foreclosure mediation program shall not  
1070 cause a delay in the determination under subsection (e) of section 8-  
1071 265ff, as amended by this act. Nothing in sections 8-265cc to 8-265kk,  
1072 inclusive, as amended by this act, shall prevent a [mortgagor]  
1073 homeowner from applying or reapplying and being considered for  
1074 emergency mortgage assistance if such [mortgagor] homeowner is  
1075 referred to the emergency mortgage assistance program by the  
1076 foreclosure mediation program.

1077 Sec. 9. Section 8-265ff of the general statutes is repealed and the  
1078 following is substituted in lieu thereof (*Effective October 1, 2021*):

1079 (a) (1) Any [mortgagor] homeowner who is a mortgagor may apply  
1080 for emergency mortgage assistance payments under sections 8-265cc to  
1081 8-265kk, inclusive, as amended by this act, if [such mortgagor (1)] (A)

1082 such homeowner (i) has received notice of intent to foreclose as  
1083 provided in section 8-265ee, as amended by this act, [or (2) (A)] (ii) is  
1084 sixty days or more delinquent on a mortgage, or [(B) such mortgagor]  
1085 (iii) anticipates that he or she will be sixty days or more delinquent on a  
1086 mortgage based on financial hardship beyond such [mortgagor's]  
1087 homeowner's control, provided the authority determines that such  
1088 [mortgagor] homeowner will be so delinquent, or (B) the homeowner's  
1089 mortgage is in forbearance.

1090 (2) Any homeowner may apply for emergency lien assistance  
1091 payments under sections 8-265cc to 8-265kk, inclusive, as amended by  
1092 this act, if such homeowner (A) has received notice of the lienholder's  
1093 intent to foreclose the lien, (B) is sixty days or more delinquent on the  
1094 debt secured by a lien, or (C) anticipates that he or she will be sixty days  
1095 or more delinquent on the debt secured by a lien based on financial  
1096 hardship beyond such homeowner's control, provided the authority  
1097 determines that such homeowner will be so delinquent.

1098 (3) As part of the application process, the authority may refer the  
1099 applicant to a counseling agency approved by the United States  
1100 Department of Housing and Urban Development.

1101 (b) If the [mortgagor] homeowner applies for emergency mortgage or  
1102 lien assistance payments under sections 8-265cc to 8-265kk, inclusive, as  
1103 amended by this act, the authority shall, no later than eight business  
1104 days after the date of receipt of such application, notify all of the  
1105 mortgagees and lienholders listed on the application holding a  
1106 mortgage or lien on the [mortgagor's] homeowner's real property.

1107 (c) The [mortgagor] homeowner shall apply for a loan on the form  
1108 provided by the authority. The [mortgagor] homeowner shall complete  
1109 and sign the application subject to the penalty for false statement under  
1110 section 53a-157b.

1111 (d) The [mortgagor] homeowner shall provide the authority with full  
1112 disclosure of all assets and liabilities, whether singly or jointly held, and  
1113 all household income regardless of source. For purposes of this

1114 subsection, both of the following are included as assets:

1115 (1) The sum of the household's savings and checking accounts,  
1116 market value of stocks, bonds and other securities, other capital  
1117 investments, pensions and retirement funds valued in an amount  
1118 greater than one hundred thousand dollars, personal property and  
1119 equity in real property including the subject mortgage or lien property.  
1120 Income derived from family assets shall be considered as income. Equity  
1121 is the difference between the market value of the property and the total  
1122 outstanding principal of any loans secured by the property and other  
1123 liens.

1124 (2) Lump-sum additions to family assets such as inheritances, capital  
1125 gains, insurance payments included under health, accident, hazard or  
1126 workers' compensation policies and settlements, verdicts or awards for  
1127 personal or property losses or transfer of assets without consideration  
1128 within one year of the time of application. Pending claims for such items  
1129 must be identified by the homeowner as contingent assets.

1130 (e) The authority shall make a determination of eligibility for  
1131 emergency mortgage or lien assistance payments by the date thirty  
1132 calendar days after the date [of receipt of the mortgagor's] the  
1133 homeowner's application is received by the authority. During said  
1134 thirty-day period no judgment of strict foreclosure or any judgment  
1135 ordering foreclosure by sale shall be entered in any action for the  
1136 foreclosure of any mortgage or lien any mortgagee or lienholder holds  
1137 on the [mortgagor's] homeowner's real property. No emergency  
1138 mortgage or lien assistance payments may be provided unless the  
1139 authority finds that:

1140 (1) The real property securing the mortgage [is a one-to-four family  
1141 owner-occupied residence, including, but not limited to, a single family  
1142 unit in a common interest community,] or underlying the lien is  
1143 residential real property that is the principal residence of the [mortgagor  
1144 and is located in this state] homeowner;

1145 (2) Payments, including amounts for taxes and insurance payments,

1146 including mortgage insurance, or for charges, assessments and fees  
1147 associated with a condominium or common interest community, as such  
1148 terms are defined in section 47-202, or any combination of such  
1149 payments, whether or not such payments are made into escrow or  
1150 impound accounts as reserves, owed by the [mortgagor] homeowner  
1151 under any mortgage or lien on such real property have been delinquent  
1152 and the mortgagee, taxing authority, [or] unit owners association or  
1153 lienholder has indicated to the [mortgagor] homeowner its intention to  
1154 foreclose;

1155 (3) The [mortgagor] homeowner is a resident of this state and is  
1156 suffering financial hardship which renders the [mortgagor] homeowner  
1157 unable to correct the delinquency or delinquencies within a reasonable  
1158 time and make full mortgage payments or payments on the debt secured  
1159 by the lien. For the purposes of subdivision (7) of this subsection, in  
1160 order to determine whether the financial hardship is due to  
1161 circumstances beyond the [mortgagor's] homeowner's control, the  
1162 authority may consider information regarding the [mortgagor's]  
1163 homeowner's employment, credit history and current and past  
1164 household income, assets, total debt service, net worth, eligibility for  
1165 other types of assistance and any other criteria or related factors it deems  
1166 necessary and relevant;

1167 (4) There is a reasonable prospect that [the mortgagor] (A) a  
1168 homeowner who applies for emergency mortgage assistance payments  
1169 will be able to resume full mortgage payments on the original, modified  
1170 or refinanced mortgage within sixty months after the beginning of the  
1171 period in which emergency mortgage assistance payments are provided  
1172 in accordance with a written plan formulated or approved by the  
1173 authority and pay the mortgage in full in level monthly payments of  
1174 principal and interest, subject only to payment changes as provided in  
1175 the mortgage, by its maturity date, and (B) a homeowner who applies  
1176 for emergency lien assistance payments will be able to bring the debt  
1177 underlying the lien current and resume regular payments to the  
1178 lienholder for the tax, water, assessment or usage charges underlying  
1179 the lien after payment by the authority of emergency lien assistance

1180 payments;

1181 (5) The [mortgagor] homeowner has applied to the authority for  
1182 emergency mortgage or lien assistance payments on an application form  
1183 prescribed by the authority which includes a financial statement  
1184 disclosing all assets and liabilities of the [mortgagor] homeowner,  
1185 whether singly or jointly held, and all household income regardless of  
1186 source;

1187 (6) Based on the financial statement, the [mortgagor] homeowner has  
1188 insufficient household income or net worth to correct the delinquency  
1189 or delinquencies within a reasonable period of time and make full  
1190 mortgage payments or regular payments to the lienholder for the tax,  
1191 water, assessment or usage charges underlying the lien;

1192 (7) There is a reasonable prospect that the [mortgagor] homeowner,  
1193 as determined by the authority, will be able to repay the emergency  
1194 mortgage or lien assistance within a reasonable amount of time under  
1195 the terms of section 8-265hh, as amended by this act, including through  
1196 a refinancing of the mortgage, and the authority finds that, except for  
1197 the current delinquency, [the mortgagor] any homeowner who is a  
1198 mortgagor has had a favorable residential mortgage credit history for  
1199 the previous two years or period of ownership, whichever is less. For  
1200 the purposes of this subdivision, if a [mortgagor] homeowner has been  
1201 more than thirty days in arrears four or more times on a residential  
1202 mortgage within the previous year, the [mortgagor] homeowner shall  
1203 be ineligible for emergency mortgage assistance payments unless the  
1204 [mortgagor] homeowner can demonstrate that the prior delinquency  
1205 was the result of financial hardship due to circumstances beyond the  
1206 [mortgagor's] homeowner's control. In making a determination under  
1207 this subsection, the authority may consider information regarding the  
1208 structure of the mortgage, its repayment schedule, the length of time the  
1209 [mortgagor] homeowner has lived in his or her home, and any other  
1210 relevant factors or criteria it deems appropriate;

1211 (8) The mortgagee or lienholder is not otherwise prevented by law

1212 from foreclosing upon the mortgage;

1213 (9) The [mortgagor] homeowner has not mortgaged the real property  
1214 for commercial or business purposes;

1215 (10) The [mortgagor] homeowner has not previously received  
1216 emergency mortgage or lien assistance payments from the authority,  
1217 [provided a mortgagor] except that (A) a homeowner who has  
1218 previously received [such] mortgage assistance payments shall be  
1219 eligible to reapply for mortgage assistance if the [mortgagor]  
1220 homeowner has reinstated the mortgage and the [mortgagor shall not  
1221 have been] homeowner is not delinquent for at least six consecutive  
1222 months immediately following such reinstatement, and (B) a  
1223 homeowner who has previously received lien assistance payments shall  
1224 be eligible to reapply for lien assistance if the homeowner has brought  
1225 the debt underlying the lien current and the homeowner is not  
1226 delinquent on regular payments to the lienholder for the tax, water,  
1227 assessment or usage charges underlying the lien for eighteen  
1228 consecutive months immediately following the date such debt is made  
1229 current;

1230 (11) The [mortgagor] homeowner is not in default under the  
1231 mortgage except for the monetary delinquency referred to in  
1232 subdivision (2) of this subsection; and

1233 (12) The [mortgagor] homeowner meets such other procedural  
1234 requirements as the authority may establish, provided the authority  
1235 shall not prohibit a homeowner from participating in the program solely  
1236 on the basis that the homeowner received a discharge of debt through a  
1237 bankruptcy filing and did not reaffirm such debt.

1238 Sec. 10. Section 8-265gg of the general statutes is repealed and the  
1239 following is substituted in lieu thereof (*Effective October 1, 2021*):

1240 (a) If the authority approves a [mortgagor] homeowner for mortgage  
1241 assistance under the provisions of section 8-265ff, as amended by this  
1242 act, the authority shall make monthly emergency mortgage assistance

1243 payments directly to each mortgagee secured by the [mortgagor's]  
1244 homeowner's real property for a period not to exceed sixty months,  
1245 either consecutively or nonconsecutively, except no such payments shall  
1246 be made after sixty months have passed since the date of the initial  
1247 payment. The total monthly payment made by the authority, to or on  
1248 behalf of a [mortgagor] homeowner under subsection (c) of this section,  
1249 shall be not more than twenty-eight per cent of one hundred forty per  
1250 cent of annual area median income, as published by the United States  
1251 Department of Housing and Urban Development, divided by twelve.  
1252 Upon receipt of payment in full from a [mortgagor] homeowner of the  
1253 monthly amount established under subsection (b) of this section, the  
1254 authority shall pay to each mortgagee the full amount then due to the  
1255 mortgagee pursuant to the terms of the mortgage without regard to any  
1256 acceleration under the mortgage. Such payments shall include, but not  
1257 be limited to, principal, interest, taxes, assessments and insurance  
1258 premiums. The initial payment made by the authority to each  
1259 mortgagee may be an amount which pays all arrearages and pays  
1260 reasonable costs and reasonable attorney's fees incurred by the  
1261 mortgagee in connection with foreclosure of the mortgage.

1262 (b) A [mortgagor] homeowner on whose behalf the authority is  
1263 making emergency mortgage assistance payments shall, during the  
1264 period in which such assistance is provided, make monthly payments  
1265 to the authority in lieu of the [mortgagor's] homeowner's monthly  
1266 mortgage payments. Such payments to the authority shall be in an  
1267 amount which will cause the [mortgagor's] homeowner's total housing  
1268 expense to be less than or equal to thirty-five per cent of the  
1269 [mortgagor's] homeowner's aggregate family income. The [mortgagor]  
1270 homeowner shall make such payments to the authority not later than  
1271 seven days before each mortgage payment is due to the mortgagee.

1272 (c) The amount by which the emergency mortgage assistance  
1273 payments made by the authority to the mortgagee exceeds the payments  
1274 made by the [mortgagor] homeowner to the authority shall be a loan in  
1275 that amount made by the authority to the [mortgagor] homeowner. Any  
1276 such loan shall be evidenced by such documents as the authority may

1277 require and shall be subject to repayment with interest and secured as  
1278 provided in section 8-265hh, as amended by this act.

1279 (d) The authority shall establish procedures for periodic review of the  
1280 [mortgagor's] homeowner's financial circumstances for the purpose of  
1281 determining the necessity for continuation, termination or adjustment  
1282 of the amount of emergency mortgage assistance payments or  
1283 adjustment of the payments by the [mortgagor] homeowner pursuant  
1284 to subsection (b) of this section. Payments shall be discontinued when  
1285 the authority determines that, due to changes in the [mortgagor's]  
1286 homeowner's financial condition, the payments are no longer necessary  
1287 in accordance with the standards contained in section 8-265ff, as  
1288 amended by this act, or the [expiration of the] sixty-month period of [a  
1289 mortgagor] eligibility for such payments under subsection (e) of section  
1290 8-265ff, as amended by this act, has expired, whichever is sooner, and a  
1291 foreclosure of the [mortgagor's] homeowner's mortgage may, at any  
1292 time thereafter, proceed without further restriction or requirement  
1293 under sections 8-265cc to 8-265hh, inclusive, as amended by this act. The  
1294 authority may adjust payments by the [mortgagor] homeowner  
1295 pursuant to subsection (b) of this section based on a review under this  
1296 subsection.

1297 (e) If the [mortgagor] homeowner fails to pay to the authority any  
1298 amounts due under subsection (b) of this section within seven days of  
1299 the date due to the authority, the authority shall review the  
1300 [mortgagor's] homeowner's financial circumstances to determine  
1301 whether the delinquency is the result of additional financial hardship  
1302 due to circumstances beyond the [mortgagor's] homeowner's control. If  
1303 the delinquency is not the result of additional financial hardship due to  
1304 circumstances beyond the [mortgagor's] homeowner's control in the  
1305 [mortgagor's] homeowner's financial circumstances, the authority shall  
1306 terminate emergency mortgage assistance payments and the foreclosure  
1307 of the [mortgagor's] homeowner's mortgage may, at [anytime] any time  
1308 thereafter, continue without any further restriction or requirement  
1309 under sections 8-265cc to 8-265kk, inclusive, as amended by this act. If  
1310 the delinquency is the result of a change in the [mortgagor's]



1311 homeowner's financial circumstances, the authority may modify the  
1312 [mortgagor's] homeowner's required monthly payments to the  
1313 authority.

1314 (f) If any mortgagee scheduled to receive payments from the  
1315 authority under the provisions of sections 8-265cc to 8-265kk, inclusive,  
1316 as amended by this act, fails to receive the full amount of such payment  
1317 from the authority within thirty days of the scheduled due date, or if the  
1318 [mortgagor] homeowner fails to observe and perform all of the terms,  
1319 covenants and conditions of the mortgage, the mortgagee shall provide  
1320 a fifteen-day notice to the authority and the foreclosure of the  
1321 [mortgagor's] homeowner's mortgage may, at any time thereafter,  
1322 proceed without any further restriction or requirement under sections  
1323 8-265cc to 8-265kk, inclusive, as amended by this act.

1324 Sec. 11. (NEW) (*Effective October 1, 2021*) (a) If the authority approves  
1325 a homeowner for emergency lien assistance under the provisions of  
1326 section 8-265ff of the general statutes, as amended by this act, the  
1327 authority shall make emergency lien assistance payments directly to  
1328 each lienholder secured by the homeowner's real property for (1) the full  
1329 amount due and payable to the lienholder under the lien, or (2) the full  
1330 amount due and payable to the lienholder under the lien for the thirty-  
1331 six-month period commencing on the date the first tax, water,  
1332 assessment or usage charge underlying the lien became due and  
1333 payable, whichever is less. Such payment may be in an amount which  
1334 pays all arrearages and pays reasonable costs and reasonable attorney's  
1335 fees incurred by the lienholder in connection with the foreclosure of the  
1336 lien.

1337 (b) The amount of the emergency lien assistance payments made by  
1338 the authority to the lienholder shall be a loan in that amount made by  
1339 the authority to the homeowner. Any such loan shall be evidenced by  
1340 such documents as the authority may require and shall be subject to  
1341 repayment with interest and secured as provided in section 8-265hh of  
1342 the general statutes, as amended by this act.

1343 (c) If any lienholder scheduled to receive payments from the  
1344 authority under the provisions of sections 8-265cc to 8-265kk, inclusive,  
1345 of the general statutes, as amended by this act, fails to receive the full  
1346 amount of such payment from the authority within thirty days of the  
1347 scheduled due date, or if the homeowner fails to observe and perform  
1348 all of the terms, covenants and conditions of lien, the lienholder shall  
1349 provide a fifteen-day notice to the authority and the foreclosure of the  
1350 lien may, at any time thereafter, proceed without any further restriction  
1351 or requirement under sections 8-265cc to 8-265kk, inclusive, of the  
1352 general statutes, as amended by this act.

1353 Sec. 12. Section 8-265hh of the general statutes is repealed and the  
1354 following is substituted in lieu thereof (*Effective October 1, 2021*):

1355 (a) Upon approval of emergency mortgage or lien assistance  
1356 payments, the authority shall enter into an agreement with the  
1357 [mortgagor] homeowner for repayment of all such assistance with  
1358 interest as provided in this section. The agreement shall provide for  
1359 monthly payments by the [mortgagor] homeowner after emergency  
1360 mortgage or lien assistance payments have ended and shall be subject  
1361 to the following provisions:

1362 (1) If the [mortgagor's] homeowner's total housing expense,  
1363 including projected repayments for [mortgage] assistance under this  
1364 section, is greater than thirty-five per cent of the [mortgagor's]  
1365 homeowner's aggregate family income, repayment of the emergency  
1366 mortgage or lien assistance payments shall be deferred until such total  
1367 housing expense, including projected repayments for [mortgage]  
1368 assistance under this section, is less than or equal to thirty-five per cent  
1369 of such aggregate family income;

1370 (2) If repayment of emergency mortgage or lien assistance payments  
1371 is not made by the date the mortgage is paid in full, the [mortgagor]  
1372 homeowner shall make monthly payments to the authority in an  
1373 amount not less than the monthly mortgage payment until such  
1374 assistance is repaid;

1375 (3) Interest shall accrue on all emergency mortgage and lien  
1376 assistance payments made by the authority at a rate based upon the cost  
1377 of funds to the state periodically determined by the State Treasurer in  
1378 consultation with the authority. Interest shall start to accrue whenever  
1379 the [mortgagor] homeowner is required to commence repayment under  
1380 this section.

1381 (b) Repayment of amounts owed to the authority from a [mortgagor]  
1382 homeowner under the provisions of sections 8-265cc to 8-265kk,  
1383 inclusive, as amended by this act, shall be secured by a mortgage on the  
1384 [mortgagor's] homeowner's real property, provided said mortgage shall  
1385 not be deemed to take priority over any other mortgage or lien in effect  
1386 against such property on the date the emergency mortgage is recorded.  
1387 The authority may allow subordination of its mortgage if such  
1388 subordination is required to permit the [mortgagor] homeowner to  
1389 obtain a home improvement loan for repairs necessary to preserve the  
1390 property.

1391 (c) The authority shall establish written procedures for periodic  
1392 review of the [mortgagor's] homeowner's financial circumstances to  
1393 determine the amounts of repayment required under this section.

1394 (d) All moneys received by the authority from [mortgagors]  
1395 homeowners for repayment of emergency mortgage or lien assistance  
1396 payments shall be paid to the authority, deposited in such funds or  
1397 accounts as the authority may establish from time to time for such  
1398 purpose and be used solely for the purposes of the program established  
1399 pursuant to sections 8-265cc to 8-265kk, inclusive, as amended by this  
1400 act.

1401 (e) Any [mortgagor] homeowner who misrepresents any financial or  
1402 other pertinent information in conjunction with the filing of an  
1403 application for emergency mortgage or lien assistance or modification  
1404 of such assistance, may be denied assistance and required to  
1405 immediately repay any amount of assistance already made. The  
1406 mortgagee or lienholder may, at any time thereafter, take any legal

1407 action to enforce the mortgage or lien without further restrictions or  
1408 requirements.

1409 (f) The authority may take any action it deems appropriate to recover  
1410 emergency mortgage or lien assistance when the [mortgagor]  
1411 homeowner fails to repay such assistance under the terms and  
1412 conditions established under this section.

1413 Sec. 13. Section 8-265ii of the general statutes is repealed and the  
1414 following is substituted in lieu thereof (*Effective October 1, 2021*):

1415 The Connecticut Housing Finance Authority shall adopt procedures  
1416 in accordance with section 1-121 to implement the provisions of sections  
1417 8-265cc to 8-265hh, inclusive, as amended by this act. Such procedures  
1418 shall include the establishment of a process for notification to eligible  
1419 [mortgagors] homeowners of the availability of funds under sections 8-  
1420 265cc to 8-265kk, inclusive, as amended by this act, and for notification  
1421 to the mortgagee or lienholder that an application has been received by  
1422 or on behalf of the [mortgagor] homeowner and of the authority's  
1423 determination of eligibility.

1424 Sec. 14. Section 8-265kk of the general statutes is repealed and the  
1425 following is substituted in lieu thereof (*Effective October 1, 2021*):

1426 (a) If the authority determines that additional funding sources are  
1427 necessary to provide emergency mortgage or lien assistance payments  
1428 to homeowners in accordance with sections 8-265cc to 8-265kk,  
1429 inclusive, as amended by this act, the authority may, in consultation  
1430 with the State Treasurer, the Comptroller, representatives from  
1431 Connecticut-based banks and a state banking industry association,  
1432 establish as part of the emergency mortgage and lien assistance program  
1433 a component program that shall be administered by the authority in  
1434 collaboration with Connecticut-based banks and that may include, but  
1435 need not be limited to, loan guarantees. Any loan issued under such  
1436 component program shall be used for the purposes described in sections  
1437 8-265cc to 8-265kk, inclusive, as amended by this act. The authority shall  
1438 notify the State Treasurer of the authority's intention to establish a

1439 component program prior to establishing such program and the State  
 1440 Treasurer shall (1) advise the authority as to the state's ability to provide  
 1441 loan guarantees under such program, and (2) recommend guidelines for  
 1442 such guarantees. For purposes of this subsection, "Connecticut-based  
 1443 banks" means banks and out-of-state banks, each as defined in section  
 1444 36a-2, having deposit-taking branches in the state.

1445 (b) If funds are not available to provide emergency mortgage or lien  
 1446 assistance payments to [mortgagors] homeowners in accordance with  
 1447 sections 8-265cc to 8-265kk, inclusive, as amended by this act, the  
 1448 authority shall notify all mortgagees and lienholders and shall not  
 1449 accept applications for emergency mortgage or lien assistance payment.  
 1450 Upon receipt of such notice from the authority and until mortgagees and  
 1451 lienholders receive a further notice from the authority that such funds  
 1452 are again available and applications for [emergency mortgage] such  
 1453 assistance payments are again being accepted by the authority: (1)  
 1454 Mortgagees may commence foreclosure actions without first providing  
 1455 the notice set forth in subsection (a) of section 8-265ee, as amended by  
 1456 this act; and (2) the foreclosure of mortgages and liens by mortgagees or  
 1457 lienholders may continue without any further restriction or requirement  
 1458 under the provisions of sections 8-265cc to 8-265kk, inclusive, as  
 1459 amended by this act."

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2021	49-31l
Sec. 2	October 1, 2021	49-31n
Sec. 3	October 1, 2021	49-31k(8) and (9)
Sec. 4	October 1, 2021	49-31r(a)
Sec. 5	October 1, 2021	49-31v
Sec. 6	October 1, 2021	8-265cc
Sec. 7	October 1, 2021	8-265dd
Sec. 8	October 1, 2021	8-265ee
Sec. 9	October 1, 2021	8-265ff
Sec. 10	October 1, 2021	8-265gg
Sec. 11	October 1, 2021	New section
Sec. 12	October 1, 2021	8-265hh

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Sec. 13	<i>October 1, 2021</i>	8-265ii
Sec. 14	<i>October 1, 2021</i>	8-265kk