
OLR Bill Analysis

HB 5503

AN ACT REQUIRING MORTGAGEES TO PROVIDE MORTGAGORS WITH PERIODIC STATEMENTS.

SUMMARY

This bill requires certain mortgagees (lenders) to give periodic statements to the borrowers (mortgagors) on loans secured by mortgages encumbering real property they also own. The requirement applies to an owner or servicer of debt secured by a mortgage that makes more than five mortgage loans in any consecutive 12-month period but only if the borrower asks for the statement.

For purposes of the bill, a “periodic statement” is a statement that a lender gives to a borrower for each billing cycle of a mortgage that meets the federal requirements for residential mortgage loan statements under the Truth in Lending Act implementing regulations (Regulation Z; 12 C.F.R. § 1026.41). Regulation Z sets requirements generally for the following aspects of statements:

1. timing (i.e. delivered or mailed within a reasonably prompt time after the due date or courtesy period for the previous billing cycle);
2. form (i.e. clear, conspicuous, in a form the consumer may keep, and in writing or electronically if the consumer agrees); and
3. content and layout (i.e. amount due with an explanation; past payment breakdown; transaction activity; and partial payment, contact, account, and delinquency information).

Under the bill, lenders that comply with this regulation are deemed compliant with the bill’s requirements.

EFFECTIVE DATE: October 1, 2025

COMMITTEE ACTION

Banking Committee

Joint Favorable

Yea 13 Nay 0 (03/11/2025)