



General Assembly

**Substitute Bill No. 810**

January Session, 2019



**AN ACT PROHIBITING CERTAIN MORTGAGE LENDERS FROM CHARGING FEES TO BORROWERS AFTER RECEIVING A PAYMENT TO REINSTATE THE MORTGAGE.**

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

1 Section 1. Section 49-10a of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2019*):

3 (a) A mortgagee shall, upon written request of the mortgagor or the  
4 mortgagor's attorney or other authorized agent provide a payoff  
5 statement or reinstatement payment statement in writing to the person  
6 requesting the payoff statement or reinstatement payment statement  
7 on or before the date specified in such request, provided such request  
8 date is at least seven business days after the date of receipt of the  
9 written request. If the request is made in connection with a default, the  
10 mortgagor's attorney may make such written request directly to the  
11 mortgagee, provided such written request contains a representation  
12 that the person requesting the payoff statement or reinstatement  
13 payment statement is the mortgagor's attorney and that the mortgagor  
14 has authorized the request.

15 (b) If the mortgagee fails to provide the payoff statement or  
16 reinstatement payment statement on or before such request date, the  
17 mortgagee shall not be entitled to the payment of any interest on the  
18 mortgage loan which is secured by such mortgage which accrues after

19 the expiration of such request date. If the mortgagee provides the  
20 payoff statement or reinstatement payment statement to the person  
21 requesting such statement after the expiration of such request date,  
22 interest on the mortgage loan which accrues after the receipt of the  
23 payoff statement or the reinstatement payment statement by the  
24 person who has requested it shall again be payable. The burden of  
25 proof shall be on the mortgagor with respect to the receipt by the  
26 mortgagee of the mortgagor's request for a payoff statement or a  
27 reinstatement payment statement of the mortgage loan, and thereafter  
28 shall be on the mortgagee with respect to the receipt of the payoff  
29 statement or reinstatement payment statement by the mortgagor or the  
30 mortgagor's attorney or other authorized agent.

31 (c) The mortgagee shall not impose any fee or charge for the first  
32 payoff statement or reinstatement payment statement requested within  
33 a calendar year, unless the mortgagor or the mortgagor's attorney or  
34 other authorized agent requests expedited delivery of such statement,  
35 agrees to pay a fee for such expedited delivery and the statement is  
36 provided by the agreed upon date.

37 (d) A mortgage issued by a Connecticut bank or a Connecticut  
38 credit union on or after October 1, 2019, shall be reinstated on the date  
39 the mortgagor pays to the mortgagee the total amount due on a  
40 reinstatement payment statement, provided such payment is made on  
41 or before the date such statement expires. The mortgagee shall not  
42 charge the mortgagor for any costs, expenses or attorneys' fees  
43 incurred by the mortgagee in connection with the mortgagor's default  
44 that were not included on the reinstatement payment statement and  
45 any such costs, expenses or attorneys' fees shall be waived by the  
46 mortgagee.

47 [(d)] (e) For the purposes of this section, "reinstatement payment  
48 statement" means a statement setting forth the total sum owed by a  
49 mortgagor to a mortgagee, which, if paid, will cause the loan to be  
50 reinstated, provided any other contractual conditions for reinstatement  
51 are satisfied.

52     [(e)] (f) Nothing in this section shall create an obligation on the part  
53 of the mortgagee to provide a reinstatement payment statement if a  
54 right to cure the payment default and reinstate the mortgage loan does  
55 not exist under the mortgage loan documents or at law.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2019</i>	49-10a

**BA**       *Joint Favorable Subst.*