



General Assembly

**Substitute Bill No. 5215**

February Session, 2022



**AN ACT CONCERNING MORTGAGE RELEASES AND REQUIRING MORTGAGEES TO ACCEPT CERTAIN FORMS OF PAYMENT.**

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

1 Section 1. Subsection (a) of section 49-8 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective October*  
3 *1, 2022*):

4 (a) (1) The mortgagee or a person authorized by law to release the  
5 mortgage shall execute and deliver or cause to be delivered to the town  
6 clerk of the town in which the real estate is situated or, if so requested  
7 in writing by the mortgagor or a legal representative of the mortgagor,  
8 to the mortgagor or the legal representative of the mortgagor, a release  
9 to the extent of the satisfaction tendered before or against receipt of the  
10 release: [(1)] (A) Upon the satisfaction of the mortgage; [(2)] (B) upon a  
11 bona fide offer to satisfy the mortgage in accordance with the terms of  
12 the mortgage deed upon the execution of a release; [(3)] (C) when the  
13 parties in interest have agreed in writing to a partial release of the  
14 mortgage where that part of the property securing the partially satisfied  
15 mortgage is sufficiently definite and certain; or [(4)] (D) when the  
16 mortgagor has made a bona fide offer in accordance with the terms of  
17 the mortgage deed for such partial satisfaction on the execution of such  
18 partial release.

19     (2) If a release has not been delivered to the mortgagor or legal  
20 representative of the mortgagor in accordance with subdivision (1) of  
21 this subsection, the mortgagee or such person shall deliver a copy of  
22 such release to the mortgagor at or about the same time such release is  
23 delivered to the town clerk.

24     Sec. 2. Section 49-8a of the general statutes is repealed and the  
25 following is substituted in lieu thereof (*Effective October 1, 2022*):

26     (a) For the purposes of this section and section 49-10a:

27     (1) "Mortgage loan" means a loan secured by a mortgage on one, two,  
28 three or four family residential real property located in this state,  
29 including, but not limited to, a residential unit in any common interest  
30 community, as defined in section 47-202.

31     (2) "Person" means an individual, corporation, limited liability  
32 company, business trust, estate, trust, partnership, association, joint  
33 venture, government, governmental subdivision or agency, or other  
34 legal or commercial entity.

35     (3) "Mortgagor" means the grantor of a mortgage.

36     (4) "Mortgagee" means the grantee of a mortgage; provided, if the  
37 mortgage has been assigned of record, "mortgagee" means the last  
38 person to whom the mortgage has been assigned of record; and  
39 provided further, if the mortgage has been serviced by a mortgage  
40 servicer, "mortgagee" means the mortgage servicer.

41     (5) "Mortgage servicer" means the last person to whom the mortgagor  
42 has been instructed by the mortgagee to send payments of the mortgage  
43 loan. The person who has transmitted a payoff statement shall be  
44 deemed to be the mortgage servicer with respect to the mortgage loan  
45 described in that payoff statement.

46     (6) "Attorney-at-law" means any person admitted to practice law in  
47 this state and in good standing.

48 (7) "Title insurance company" means any corporation or other  
49 business entity authorized and licensed to transact the business of  
50 insuring titles to interests in real property in this state.

51 (8) "Institutional payor" means any bank or lending institution that,  
52 as part of making a new mortgage loan, pays off the previous mortgage  
53 loan.

54 (9) "Payoff statement" means a statement of the amount of the unpaid  
55 balance on a mortgage loan, including principal, interest and other  
56 charges properly assessed pursuant to the loan documentation of such  
57 mortgage and a statement of the interest on a per diem basis with  
58 respect to the unpaid principal balance of the mortgage loan.

59 (b) If a mortgagee fails to execute and deliver a release of mortgage  
60 to the mortgagor or to the mortgagor's designated agent within sixty  
61 days from receipt by the mortgagee of payment of the mortgage loan (1)  
62 in accordance with the payoff statement furnished by the mortgagee, or  
63 (2) if no payoff statement was provided pursuant to a request made  
64 under section 49-10a, in accordance with a good faith estimate by the  
65 mortgagor of the amount of the unpaid balance on the mortgage loan  
66 using (A) a statement from the mortgagee indicating the outstanding  
67 balance due as of a date certain, and (B) a reasonable estimate of the per  
68 diem interest and other charges due, any attorney-at-law or duly  
69 authorized officer of either a title insurance company or an institutional  
70 payor may, on behalf of the mortgagor or any successor in interest to the  
71 mortgagor who has acquired title to the premises described in the  
72 mortgage or any portion thereof, execute and cause to be recorded in  
73 the land records of each town where the mortgage was recorded, an  
74 affidavit which complies with the requirements of this section.

75 (c) An affidavit pursuant to this section shall state that:

76 (1) The affiant is an attorney-at-law or the authorized officer of a title  
77 insurance company, and that the affidavit is made on behalf of and at  
78 the request of the mortgagor or the current owner of the interest

79 encumbered by the mortgage;

80 (2) The mortgagee has provided a payoff statement with respect to  
81 the mortgage loan or the mortgagee has failed to provide a payoff  
82 statement requested pursuant to section 49-10a;

83 (3) The affiant has ascertained that the mortgagee has received  
84 payment of the mortgage loan (A) in accordance with the payoff  
85 statement, or (B) in the absence of a payoff statement requested  
86 pursuant to section 49-10a, in accordance with a good faith estimate by  
87 the mortgagor of the amount of the unpaid balance on the mortgage  
88 loan calculated in accordance with subdivision (2) of subsection (b) of  
89 this section, as evidenced by a bank check, certified check, attorney's  
90 clients' funds account check or title insurance company check, which has  
91 been negotiated by the mortgagee or by other documentary evidence of  
92 such receipt of payment by the mortgagee, including a confirmation of  
93 a wire transfer;

94 (4) More than sixty days have elapsed since payment was received by  
95 the mortgagee; and

96 (5) At least fifteen days prior to the date of the affidavit, the affiant  
97 has given the mortgagee written notice by registered or certified mail,  
98 postage prepaid, return receipt requested, of intention to execute and  
99 cause to be recorded an affidavit in accordance with this section, with a  
100 copy of the proposed affidavit attached to such written notice; and that  
101 the mortgagee has not responded in writing to such notification, or that  
102 any request for additional payment made by the mortgagee has been  
103 complied with at least fifteen days prior to the date of the affidavit.

104 (d) Such affidavit shall state the names of the mortgagor and the  
105 mortgagee, the date of the mortgage, and the volume and page of the  
106 land records where the mortgage is recorded. The affidavit shall provide  
107 similar information with respect to every recorded assignment of the  
108 mortgage.

109 (e) The affiant shall attach to the affidavit (1) photostatic copies of the



**BA**      *Joint Favorable Subst.*