

Notice Regarding Changes to the Foreclosure Mediation Program

Public Act 15-124 (“the Act”), which was passed by the General Assembly during its 2015 session, made a number of changes to the Foreclosure Mediation Program.

The program now terminates when all mediation has ended with respect to cases with a return date from July 1, 2009 through June 30, 2019. For cases with return dates from July 1, 2008 through June 30, 2009, the program terminates when all mediation has concluded in cases with mediation requests filed prior to July 1, 2019.

In order to participate in the program, the case must be a mortgage foreclosure action and the homeowner requesting mediation must own the property and occupy it as his or her primary residence. The property must be a 1, 2, 3, or 4 family residence located in Connecticut, and the homeowner must be a borrower on the note secured by the mortgage being foreclosed. The Act now permits certain non-borrower spouses and former spouses in cases with return dates on or after October 1, 2015 to participate in the program if they meet all other eligibility requirements and qualify as a “permitted successor-in-interest” as defined in the Act.

The Act made certain changes to the premediation process. The plaintiff/mortgagee is now required to provide (a) copies of all documents that modified the note or mortgage and (b) the most current versions of all loss mitigation forms that the homeowner(s) must complete to apply for mortgage assistance. These must be included in the premediation package sent by the plaintiff/mortgagee to the mediator and the homeowner(s) within 35 days of the case’s return date. The court must now attempt to ensure that the mediator’s first premediation meeting with the homeowner(s) is held, rather than scheduled, by day 49 from the case’s return date. No later than 84 days from the case’s return date, the mediator must either conclude premediation and file a premediation report, or must file a motion with the court asking to extend the premediation period for a period up to 35 days. The parties have 5 business days from the date the motion is filed to file an objection or supplemental information. The court must issue a ruling within 10 business days from the date the motion was filed. If the court does not find good cause to extend the premediation period and denies the motion, premediation concludes 3 days from the date of the court’s ruling.

Under the Act, the Chief Court Administrator is required to report summary data on the Foreclosure Mediation Program annually to the Banking Committee of the General Assembly. The reports are due by March 1 of each year, beginning March 1, 2016 through March 1, 2019. The data reported will not identify specific cases or parties.

A copy of the Public Act is available at <http://cga.ct.gov/2015/ACT/PA/2015PA-00124-R00HB-06752-PA.htm>

For additional information on the Foreclosure Mediation program, please contact Nancy McGann, Program Manager, at (860) 263-2734 ext. 3067 or email her at Nancy.Mcgann@jud.ct.gov.