

Act Number	Session	Bill Number	Total Number of Committee Pages	Total Number of House Pages	Total Number of Senate Pages
PA 71-251		6503	3	1	2
<u>Committee Pages:</u> <ul style="list-style-type: none"> Judiciary 693-695 				<u>House Pages:</u> <ul style="list-style-type: none"> 1978(Consent) 	<u>Senate Pages:</u> <ul style="list-style-type: none"> 1663-1664

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**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
1971**

**VOL. 14
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1968-2502**

Monday, May 3, 1971

11.

- Cal. 568, H.B. 5557, AN ACT CONCERNING THE RAILROAD GRADE AT FLATBUSH AVENUE IN THE TOWN OF WEST HARTFORD, File 556.
- Cal. 570, Sub. for H.B. 5656, AN ACT CONCERNING DISCRIMINATION IN PUBLIC ACCOMMODATIONS ON THE BASIS OF SEX OR MARITAL STATUS, File 523.
- Cal. 576, Sub. for H.B. 6474, AN ACT CONCERNING THE POWERS AND DUTIES OF CONSERVATION OFFICERS, File 522.
- Cal. 577, H.B. 6781, AN ACT CONCERNING THE NAMING OF THE NEW ARMORY IN NORWALK, File 538.
- Cal. 578, Sub. for H.B. 6871, AN ACT CONCERNING REGULATIONS OF CASUALTY INSURANCE RATES, File 521.
- Cal. 585, Sub. for H.B. 8496, AN ACT CONCERNING NOTICE OF SPECIAL AND RECONVENED SESSIONS OF THE GENERAL ASSEMBLY, File 539.
- Cal. 588, Sub. for H.B. 6503, AN ACT CONCERNING EXECUTION OF EJECTMENT ON FORECLOSURE JUDGMENT WHERE MORTGAGE HAS BEEN GUARANTEED BY ADMINISTRATOR OF VETERANS' AFFAIRS, File 552.
- Cal. 595, Sub. for H.B. 5258, AN ACT PROHIBITING UNWARRANTED INSTITUTIONALIZATION OF GENERAL ASSISTANCE RECIPIENTS, F.533.
- Cal. 596, H.B. 5738, AN ACT CONCERNING RECOVERY OF CHILD WELFARE ASSISTANCE, File 531.
- Cal. 598, H.B. 7216, AN ACT AMENDING THE CHARTER OF THE UNIONVILLE WATER COMPANY REGARDING THE ISSUANCE OF BONDS, File 536.
- Cal. 607, Sub. for H.B. 8618, AN ACT CONCERNING OPENING BIRTH RECORDS FOR GENEALOGICAL RESEARCH, File 560.

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**CONNECTICUT
GENERAL ASSEMBLY**

SENATE

**PROCEEDINGS
1971**

**VOL. 14
PART 4
1457-1920**

May 10, 1971

34.

on Substitute H.B. 6179 An Act Concerning Adding the Chief Executive Officer of the State Commission for Higher Education As a Member of the State Board of Education. As amended by House Amendment Sch. A.

THE CHAIR:

Senator Mondani.

SENATOR MONDANI:

Mr. President, I move acceptance of the committee's favorable report and passage of the bill in concurrence with the House.

THE CHAIR:

Will you remark?

SENATOR MONDANI:

Mr. President, this helps coordinate the system on higher education with the State Board of Education by putting the Chancellor of Higher Education on the Board of Education as a non-voting member.

THE CHAIR:

The question is on passage will you remark further? If not all those in favor of passage signify by saying aye. AYE. OPPOSED Nay? The ayes have it. The bill is passed.

THE CLERK:

Page 6, first item, Cal. 553, File 552 Favorable substitute report of the Joint Standing Committee on Judiciary on Substitute H.B. 6503 An Act Covering Execution of Ejectment on

May 10, 1971

35.

Foreclosure Judgment Where Mortgage has been Guaranteed by Administrator of Veterans' Affairs.

THE CHAIR:

Senator Jackson.

SENATOR JACKSON:

Mr. President, I move acceptance of the joint committee's favorable report and passage of the bill.

THE CHAIR:

Will you remark?

SENATOR JACKSON:

Mr. President, any foreclosure action where the Court may issue execution of ejectment to the plaintiff and the mortgage loan has been guaranteed by the Veteran's Administration. The Court may issue an execution of ejectment to put the administrator in possession if the criteria outline of the bill are met.

THE CHAIR:

The question is on passage. Will you remark further? If not all those in favor of passage signify by saying aye. Opposed nay. The ayes have it. The bill is passed.

THE CLERK:

Page 6, the second item from the bottom, Cal. 558, File 516 Favorable report of the joint standing committee on Finance on H.B. 7216. An Act Amending the Charter of the Unionville Water Company Regarding the Issuance of Bonds.

THE CHAIR:

Senator Cutillo

**JOINT
STANDING
COMMITTEE
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dispute as to the amount of payments, he is in a real serious consideration as to how he pays. This cost may be tremendous, the remote lienor gets virtually an extortionate power and the developer may be forced to fold even though he may have, in good faith, made all the appropriate payments.

The proposed Bill does not reduce the lienor's rights against the developer, it prevents the - it merely prevents the need of the bank who is supplying regular construction advances from closing the whole project down. It allows the project to proceed while the issue of a debt can be appropriately litigated and the project can be allowed to go forward.

The present situation creates virtually an extortion power in some remote material manner supplier. Our firm also represents purchasers of new homes and buildings. The same incoent diaster awaits the purchasers of a new home during the first two months following completion of construction. The developer may be delinquent in payments or remote material may not be paid by some plumber's contractor, the lien will attach making a default in the mortgage if it is not released in ten days. The owner must bond, at his expense, pay legal fees and then hope for reimbursement from his seller and with the home-builders falling like flies in the last year or so, this might be quite remote.

This is the end of my statement, there are some other persons who are interested in this Bill and perhaps some of them might be able to come out of order and come and talk in favor of that, Mr. Jackson.

Sen. Jackson: Thank you very much, Mr. Buck. Mr. Banever to be followed by Attorney Gallivan.

Rep. Grab: Representative Grab from the 54th District. I just want to register in opposition to Bill #1049 and #5095.

H.B. #1049 - AN ACT CONCERNING AMENDMENTS TO THE MECHANICS LIEN STATUTES.

H.B. #5095 - AN ACT PROVIDING FOR A REVISION OF THE MECHANIC'S LIEN LAW TO PROTECT THE INNOCENT PURCHASER FOR VALUE.

Sen. Jackson: Thank you very much, Mr. Banever.

Mr. Banever: Chairman Jackson and Members of the Committee, I am an attorney representing the United States Veteran's Administration and we are interested in the passage of H.B. #6503.

H.B. #6503 - AN ACT CONCERNING EXECUTION OF EJECTMENT ON FORECLOSURE JUDGMENT.

After study of the proposed amendment to the statute, however, it appears that the change could result in a problem with the application of the provisions by a court, also it goes beyond what the purpose of the amendment so I might respectfully submit another Bill in lieu of #6503 for the Committee's consideration.

Sen. Jackson: Would you leave five copies please.

Mr. Banever: I have 25 copies. This substitute Bill would permit courts to issue executions of ejectment to the Veteran's Administration after a foreclosure by a bank where the Veteran's Administration has paid the guarantee on a G. I. Loan. A little history is necessary to explain the reason for this statute.

Since 1944, under the G. I. Loan Program, an excess of 103,000 loans have been made to veterans in the State of Connecticut - guaranteed by the Veteran's Administration to enable veterans returning from the service to find shelter for their families and for themselves.

Over the past 20 years there have been approximately 800 cases where the Veteran's Administration was obliged to pay the guarantee which you will note was a very small percentage and in each instance, the banks that made the loan elected to convey the property to the Veteran's Administration.

Up until 1959 there was no problem under the provisions of Section 49-22 when the banks obtained the execution of ejectment after having turned the property over to the Veteran's Administration. However, in 1969 a Court of Common Pleas denied the execution of ejectment to the plaintiff and in another case, the Superior Court indicated the use of the execution issue to the plaintiff by the Veteran's Administration and might be an abuse of that process and actually the matter is presently in litigation before the Federal District Court.

The purpose of this new statute is to enable the Veteran's Administration to permit veterans who have lost their home and generally it is because of economic reasons, illness, injury or - in some cases, marital problems to stay on the foreclosed property until such time as they can be relocated and many of the cases they have large families having difficulty in finding new residences. This statute, unless passed, would resolve a new situation.

After a G. I. Loan goes bad and the bank forecloses, they turn around to the Veteran's Administration and ask us to pay the guarantee they paid for the property which they turn over to the Veteran's Administration. Unless we have such a statute, we have two alternatives: First alternative is to tell the bank to have the occupants evicted. The second alternative is to take the property subject to the occupation and then if we don't get the cooperation of the occupant later, the Veteran's Administration is required to bring a summary process action. In one such case, it took three months because of many motions to the court and so on and delay.

I urgently request the Committee to give favorable approval to the Bill which has been submitted which will to the benefit of those veterans who are in financial distress and lose a very home for which this Bill - the loan guarantee program was passed. Thank you.

Sen. Jackson: Thank you very much. There was a question, Mr. Banever.

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BC
TUESDAY

JUDICIARY COMMITTEE

MARCH 9, 1971

Rep. Dooley: Representative Dooley, 47th District. I took a look at the substitute Bill that you have given us and I guess what I don't understand is why Bill #6503, which would include the successors and assignees of the party who owned the property would not give the Veteran's Administration the same relief - I am still not sure about that.

Mr. Banever: Well, the only trouble, Representative Dooley, is that in considering #6503 as been proposed, would put a burden on the court to determine whether who was an assignee, who was the successor to the plaintiff. It would probably create in the minds of a clerk, his authority to make that determination because the assignee and successor would not be a party in the foreclosure action. That was the main reason.

Secondly, of course, the #6503 is proposed - although I see no objections to it, would extend far beyond giving this to the Veteran's Administration. It would give to other assignees and other people who receive property. Thank you.

Sen. Jackson: We are going to break into - there are members of the General Assembly who have come in. We have been speaking in more or less General Assembly's time because the Public Hearing is not scheduled to start until 11:00 so Representative Green.

Rep. Green: Mr. Chairman, Oh! this thing doesn't work - I won't be here long, can you hear me? Alright, thank you. Mr. Chairman, Members of the Committee, I would like to register in support of H.B. #6887.

H.B. #6887 - AN ACT AMENDING SECTION 13a-62 OF THE GENERAL STATUTES.

There will be somebody from my town to speak further on this. As the statutes now stand, the waiting time of eight months for anybody to review the taking of land for highway building, holds up construction much too long and it seems that should be reduced. Somebody else will be in to speak on that later too.

I would also like to register in opposition to H.B. 1049.

H.B. #1049 - AN ACT CONCERNING AMENDMENTS TO THE MECHANICS LIEN STATUTES.

There are also many gentlemen here in the room today who are very knowledgable as to the ramification of H.B. #1049 and they will speak to those later. Thank you very much for allowing me this time.

Sen. Jackson: Representative Rose.

Rep. Rose: Thank you, Mr. Chairman, Members of the Judiciary Committee. I am Representative Rose, 69th District speaking for H.B. #5236.

H.B. #5236 - AN ACT CONCERNING CONNECTICUT COLLEGE FOR WOMEN AND EMINENT DOMAIN.

I believe this would be more or less in the nature of a housekeeping Bill to take off the books a Public Act No. 364 which was enacted in 1911 and - it was a special act. This Act did give the college the authority to involve itself an eminent domain for the acquisition of properties in the