

STATE OF CONNECTICUT  
DEPARTMENT OF BANKING  
260 CONSTITUTION PLAZA • HARTFORD, CT 06103-1800



**Jorge L. Perez**  
Commissioner

March 18, 2020

To: Presidents and Chief Executive Officers of Connecticut Residential Mortgage Servicers

Subject: Guidance on COVID-19-related Issues

The Connecticut Department of Banking (the "Department") has received several questions related to certain issues facing existing mortgage borrowers during the outbreak of "coronavirus 2019" ("COVID-19").

The Department recognizes that there are unique challenges associated with COVID-19 that could have an impact on the mortgage industry and their customers. During this period, mortgage servicers are encouraged to work with all borrowers (particularly individuals associated with industries more susceptible to volatility) whose ability to make loan repayments at this time may be impacted by COVID-19. Efforts to work with borrowers may include waiving late fees, offering forbearance plans or other deferment options and having adequate staff available to proactively work with borrowers facing hardship as a result of the COVID-19 outbreak.

The Department requests that mortgage servicers consider providing guidance to their internal and external collection teams regarding the servicer's policies at this time. The ability for borrowers to learn about and access any accommodations being offered will be limited if employees, agents or other third parties of the servicers are not familiar or are not able to inform borrowers about possible accommodations.

Governor Lamont has directed his state agencies to identify any legal, regulatory, or operational constraints that are hampering the ability of state agencies or businesses within the state to respond effectively to COVID-19. The Department of Banking is eager to understand the constraints faced by mortgage servicers and, if necessary, will work with the servicers and the Governor's Office to seek solutions.

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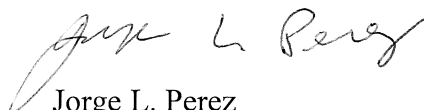
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website: <http://www.ct.gov/dob>

This guidance to residential mortgage servicers does not come in isolation. The Department is also encouraging banks and credit unions to work with borrowers, and the State has already announced several actions to help businesses who have participated in its various lending programs. For example, the State is extending Small Business Express loans for 90 days and offering a 90-day grace period on making payments. Other actions taken by the State at this time include the delaying of payment of some business taxes by 60 to 90 days. Governor Lamont has successfully applied for Small Business Administration disaster assistance, and eligible small businesses are encouraged to apply for credit at [www.sba.gov/disaster](http://www.sba.gov/disaster). Further action by the Administration is forthcoming.

The Department's staff is ready to work with licensees who may be impacted by the COVID-19 outbreak. Please do not hesitate to contact Consumer Credit Division Director Carmine Costa at [carmine.costa@ct.gov](mailto:carmine.costa@ct.gov) or 860-240-8207 or myself at [Jorge.perez@ct.gov](mailto:Jorge.perez@ct.gov) or 860-240-8100 if you have any questions or suggestions. For more general questions about COVID-19, your institutions can email the COVID-19 Joint Information Center at [covid19.jic@ct.gov](mailto:covid19.jic@ct.gov) or call 860-754-8342. We encourage you to share this letter with members of your board of directors and your management team.

Sincerely,

A handwritten signature in black ink that reads "Jorge L. Perez". The signature is written in a cursive style with a large, sweeping initial "J".

Jorge L. Perez  
Banking Commissioner