

Malloy praises foreclosure legislation

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STAMFORD -- Gov. Dannel P. Malloy heralded recent legislation aimed at protecting homeowners facing foreclosure Tuesday during a ceremonial bill signing at the Housing Development Fund's Stamford office.

The event marked Malloy's first bill signing in Stamford, where he served as mayor for 14 years and once sat on the HDF's board of directors. The governor was joined by the Democratic members of Stamford's state delegation, including mayoral candidate William Tong, a state representative from District 147.



Connecticut Governor Dannel Malloy speaks during a bill-signing ceremony for a law regarding protections for homeowners facing foreclosure at the Housing Development Fund offices in Stamford, Conn., on Tuesday, August 13, 2013. Photo: Lindsay Perry

"We must continue to do everything we can to help homeowners when they fall behind or when their homes go into foreclosure," Malloy said.

The governor already officially signed the legislation, An Act Concerning Homeowner Protection Rights, which was passed by the General Assembly in June and took effect July 15. The law expands the state's foreclosure mediation program, implements new requirements aimed at protecting homeowners during the process and expedites foreclosure proceedings for vacant and abandoned properties.

"This is a very important opportunity for us to move properties that have been abandoned ... and hopefully fast-track them into the marketplace," Malloy said. "Housing is a major driver of economic growth, both short-term and long-term."

Foreclosure continues to plague Connecticut homeowners despite recent indications that the housing market is starting to recover, said Jeff Gentes, managing attorney for Fair Lending and Foreclosure Prevention at the Connecticut Fair Housing Center.

One in 11 people paying a mortgage in Fairfield County are behind on their payments by 90 days or more, Gentes said. In Stamford, 238 homeowners have entered foreclosure proceedings since the beginning of the year.

Tong, who has served as co-chairman of the General Assembly's Banks Committee since 2010, said the statistic is a "sobering reminder of the challenges we still face."

"This bill says mediation needs to be more productive," Tong said. "We can't have people in mediation for two years or longer. This bill says homeowners will get some help and that banks need to negotiate in good faith."

Tong is running against Board of Finance member David Martin in a Sept. 10 primary for the party's nomination. Martin, who won the Democratic City Committee's endorsement last month, also attended Tuesday's event.

"This was a great bill for the state and Stamford in the wake of the economic and mortgage crisis that started four years ago," Martin said. "If you have stable home ownership and stable neighborhoods, then that is the cornerstone of a strong community. The governor and the state legislators deserve credit for this success."

Malloy, who helped launch Tong's political career and encouraged him to run for the District 147 seat he's held since 2007, has not yet endorsed a candidate in the mayoral race.

Republican Town Committee Chairman Dennis Mahoney said the governor's Tuesday visit amounted to a show of support for Tong's campaign.

"When the governor comes to Stamford for the first time in three years to re-sign a bill that's already a law ... of course it's political and of course he's supporting William Tong," Mahoney

said. "But no worries: The voters of Stamford get to decide the next mayor -- not Dan Malloy or his brother, Ron."

Ron Malloy, the governor's older brother, won election last year as Stamford's Democratic registrar of voters after raising an unprecedented \$23,000 for his campaign.

On Tuesday, the governor said he held the ceremonial bill signing in Stamford because it's where he learned about housing issues and because the General Assembly Banks Committee's two co-chairs, Tong and District 27 state Sen. Carlo Leone, are both from Stamford.

"One of them happens to be William Tong and he happens to be chairman and I guess he happens to be running for office," Malloy said. "I have a close working relationship with William and I'm very grateful for his leadership on this issue. What I learned about housing I learned here in Stamford, so I wanted to be here to have the ceremonial bill signing."

Malloy said his endorsement in Stamford's mayoral race is "still an open question" and that he is not necessarily waiting until after the Sept. 10 primary to announce his support for one of the candidates.

Democratic City Committee Chairman John Mallozzi said he doesn't think Malloy was using Tuesday's event to weigh in on the race.

"If I had a suspicious mind I would think that it was campaign related," Mallozzi said. "But since I know Malloy well I don't think he would do a thing like that."

State Rep. Gerry Fox, who represents Stamford's District 146, said ceremonial bill signings are not uncommon. The governor held a similar event in Hartford last month, he said.

That bill signing commemorated a law strengthening the penalty for criminals charged with engaging police in a pursuit resulting in serious injury or death to the officer or bystanders. The legislation was inspired by Stamford Police Officer Troy Strauser, who was critically injured after falling onto an Interstate 95 guardrail from an overhead abutment while chasing a suspect last year.

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