

## **Mortgage Payment Relief Plan Announced by Governor, Participating Banks, Credit Unions**

**Author :** David Gurliacci

**Categories :** [Business](#), [Consumer and Finances](#), [Government & Politics](#)

**Tagged as :** [Coronavirus 2020](#), [COVID-19 2020](#)

**Date :** March 31, 2020

Governor Ned Lamont today announced that his administration has reached an agreement with over 50 credit unions and banks in Connecticut to offer mortgage relief to the state's residents and businesses who continue to face hardship caused by the global COVID-19 pandemic.

— [an announcement](#) *from the Governor's Office*

Under the agreement, the following relief policies are being offered by participating financial institutions:

- **90-day grace period for all mortgage payments:** Participating financial institutions are now offering mortgage-payment forbearances of up to 90 days, which will allow homeowners to reduce or delay monthly mortgage payments. In addition, the institutions will:
  - Provide a streamlined process for requesting forbearance for COVID-19-related reasons,

supported with available documentation;

- Confirm approval and terms of forbearance program; and
- Provide the opportunity to extend forbearance agreements if faced with continued hardship resulting from COVID-19.
- **Relief from fees and charges for 90 days:** For at least 90 days, participating financial institutions will waive or refund mortgage-related late fees and other fees including early CD withdrawals.
- **No new foreclosures for 60 days:** Financial institutions will not start any foreclosure sales or evictions.
- **No credit score changes for accessing relief:** For those taking advantage of this COVID-19-related relief, late or missed payments will not be shared with credit reporting agencies.

The agreement, which was negotiated on behalf of the Lamont administration by Commissioner Jorge Perez at the Connecticut Department of Banking, builds upon similar initiatives that have been enacted in recent days in California and New Jersey, and has been endorsed by the Connecticut Bankers Association and the Credit Union League of Connecticut.

More than 50 credit unions and banks statewide are participating, including Webster Bank, American Eagle Financial Credit Union, Liberty Bank, Charter Oak Federal Credit Union, Bank of America, Nutmeg State Financial Credit Union, and Peoples United Bank. Additional financial institutions are expected to join the initiative in the coming days. The Department of Banking will maintain updated list of participating institutions [on its website](#).

“This agreement with our financial institutions will allow Connecticut residents to obtain some relief as this public health emergency has had an impact on thousands of people in our state,” **Governor Lamont said**. “I thank each of these financial institutions that will provide this relief and applaud their participation in this agreement. The way we are going to get through this crisis is by working together, and this is an example of how we are going to get that done.”

The Department of Banking, along with the state’s banks and credit unions, is reminding residents that their money remains safe during the COVID-19 crisis and protected by the Federal Deposit Insurance Corporation (FDIC) and National Credit Union Administration (NCUA). No deposits have ever been lost under the protection of the FDIC and NCUA.

“This is a time when we need our entire financial services industry to come together to work tirelessly for the people of Connecticut, which is why I have asked the banks and credit unions to join forces and present one united approach which tells all of Connecticut, ‘We are in this together,’” Commissioner Perez said. “I am pleased to see that these efforts are well underway and that they are helping Connecticut residents work through this challenge.”

Leadership at Connecticut’s credit unions and banks said that they are flexibly meeting member and customer needs everyday on a case-by-case basis in a number of ways that may include fee waivers, access to short-term loans, loan deferrals and uninterrupted access to digital services, even though some credit unions

and banks have temporarily limited physical access to their lobbies.

**Bruce Adams, president and CEO of the Credit Union League of Connecticut, said,** “We view ourselves as the financial first responders in this crisis, and I applaud Governor Lamont and Commissioner Perez for their leadership in partnering with us to provide even more financial solutions for the people of Connecticut.”

**Tom Mongellow, president and CEO of the Connecticut Bankers Association, said,** “Connecticut banks and credit unions are open for business, and statewide we have quickly and voluntarily responded to Governor Lamont’s and Commissioner Perez’s directives. Our financial institutions continue to ensure the financial well-being of the people and businesses they serve across the state, while protecting the health of their team members and customers.”

Adams and Mongellow are stressing that customers with loans should stay in close contact with their financial institution to identify their particular needs and work on customized solutions. They are also reminding customers that measures to protect people's health and safety continue to be available:

- Drive-through services are available at numerous branches;
- Individual appointments for in-person meetings are available at many financial institutions;
- Call centers employees stand ready to assist customers and members;
- Technology platforms give ready access to online services like bill pay, transfers, remote depositing of checks and ATMs for cash needs; and
- People can use mobile payment channels and debit cards or credit cards to make purchases.