

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
107TH LEGISLATURE

(Filing No. H-563)

COMMITTEE AMENDMENT" A" to H.P. 1135, L.D. 1430, Bill,
"AN ACT Pertaining to the Choice of Counsel Retained to Perform
a Title Search."

Amend said Bill by striking out all of the title and
inserting in place thereof the following: 'AN ACT Relating to
Notification to Mortgage Applicants Concerning the Benefits
Resulting from Title Examination Certificates.'

Further amend said Bill by striking out everything after
the enacting clause and inserting in place thereof the follow-
ing:

'9 MRSA §231 is enacted to read:

§231. Title certification

Any person, association, partnership or corporation seeking
or obtaining a mortgage from any financial institution in this
State which requires as a condition for granting that mortgage
an examination of the title to the property to be mortgaged shall,
if he, she or it pays, directly or indirectly, more than 50%
of the cost of performing that title examination, be notified
in writing by the financial institution from which the mortgage
is sought that all of the benefits from the certification of
title resulting from said title examination shall only inure
to said financial institution, unless said mortgage applicant
makes a separate agreement with the attorney or firm of attorneys

performing the title examination by which the benefits from said certification shall also inure to the mortgage applicant.

STATEMENT OF FACT

The purpose of this amendment is to provide that mortgage applicants who must pay 50% or more of the cost of performing a required title examination must be notified by the financial institution from which the mortgage is sought that all of the benefits from the certification of title will inure only to said financial institutions unless the mortgage applicant makes a separate agreement with the attorney performing the title examination for those benefits to also inure to the applicant.

Reported by the Majority of the Committee on Judiciary.

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