

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

1 FIRST REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 1226

6
7 H.P. 869

House of Representatives, April 9, 1985

8 Reference to the Committee on Business and Commerce suggested and
9 ordered printed.

10 EDWIN H. PERT, Clerk

Presented by Representative Davis of Monmouth.

11 Cosponsored by Representative Brannigan of Portland, Senator Perkins
of Hancock and President Pray of Penobscot.

12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-FIVE
16

17 AN ACT Limiting the Amount of Insurance
18 Coverage which a Mortgagee can Require
19 a Mortgagor to Carry.
20

21 Be it enacted by the People of the State of Maine as
22 follows:

23 33 MRSA §503 is enacted to read:

24 §503. Property insurance

25 No person or financial institution making a resi-
26 dential mortgage loan for one to 4 residential units
27 may, as a condition of the mortgage or as a term of
28 the mortgage deed, require that the mortgagor carry
29 property insurance on the property which is the sub-
30 ject of the mortgage in excess of the value of any
31 buildings or appurtenances subject to the mortgage.

1

STATEMENT OF FACT

2 The purpose of this bill is to prohibit any mort-
3 gagee from requiring the mortgagor to carry property
4 insurance on any land subject to the mortgage.

5

0483032585