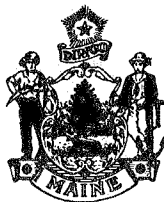


MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

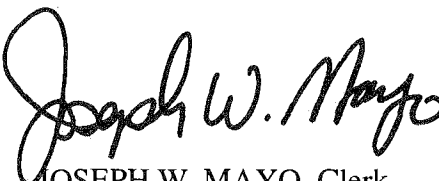
No. 1314

H.P. 951

House of Representatives, March 4, 1997

**An Act Concerning Costs Imposed by a Lender for Flood Hazard
Analysis of Real Estate.**

Reference to the Committee on Banking and Insurance suggested and ordered printed.


JOSEPH W. MAYO, Clerk

Presented by Representative VIGUE of Winslow.
Cosponsored by Senator JENKINS of Androscoggin and
Senator: MacKINNON of York.

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

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Sec. 1. 9-A MRSA §3-313, as enacted by PL 1987, c. 265, §1,
is amended by adding at the end a new paragraph to read:

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In a mortgage transaction, if an appraisal of the real estate includes a statement that the real estate is not located in a flood zone, then the lender may not assess additional costs against the mortgagor for flood hazard inspections conducted prior to closing.

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SUMMARY

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This bill precludes a mortgagee from assessing additional costs for flood hazard inspections if the appraisal of the subject real estate states that it is not located in a flood zone.