

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 1286

H.P. 883

House of Representatives, March 15, 2005

An Act To Require Additional Disclosure Regarding Private Mortgage Insurance

Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Speaker RICHARDSON of Brunswick.
Cosponsored by Senator SULLIVAN of York and
Representatives: BRAUTIGAM of Falmouth, HARLOW of Portland, MARRACHÉ of
Waterville, McKANE of Newcastle, PERRY of Calais, PILON of Saco, Senators: MAYO of
Sagadahoc, MILLS of Somerset.

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

4 **Sec. 1. 33 MRSA §506** is enacted to read:

6 **§506. Disclosure regarding private mortgage insurance**

8 At the time of application for a mortgage loan on
10 residential real property, a supervised lender, as defined in
12 Title 9-A, section 1-301, subsection 39, or a credit services
14 organization, as defined in Title 9-A, section 10-102, shall
disclose to an applicant if the mortgage loan includes private
mortgage insurance and if a company processing the mortgage loan
application also engages in the business of private mortgage
insurance.

16 **SUMMARY**

18
20 This bill requires supervised lenders and mortgage brokers
22 to disclose to persons applying for a mortgage on residential
real property if the mortgage loan includes private mortgage
insurance and if the company processing the loan application also
engages in the business of private mortgage insurance.