

MAINE STATE LEGISLATURE

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Date: 06-01-07

(Filing No. S-188)

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STATE OF MAINE
SENATE
123RD LEGISLATURE
FIRST REGULAR SESSION

SENATE AMENDMENT "A" to H.P. 1301, L.D. 1869, Bill, "An Act To Protect
Maine Homeowners from Predatory Lending"

Amend the bill by striking out all of section 1 and inserting the following:

'Sec. 1. 9-A MRSA §3-316 is enacted to read:

§3-316. Real estate settlement procedures

A creditor and its loan officers shall comply with the provisions of the federal Real Estate Settlement Procedures Act of 1974, 12 United States Code, Section 2601 et seq. and its implementing regulation, Regulation X, 24 Code of Federal Regulations, Section 3500 et seq.'

Amend the bill by striking out all of sections 24 to 27 and inserting the following:

'Sec. 24. 9-A MRSA §9-312 is enacted to read:

§9-312. Real estate settlement procedures

A creditor and its loan officers shall comply with the provisions of the federal Real Estate Settlement Procedures Act of 1974, 12 United States Code, Section 2601 et seq. and its implementing regulation and Regulation X, 24 Code of Federal Regulations, Section 3500 et seq.

Sec. 25. 9-A MRSA §9-313 is enacted to read:

§9-313. False information on application for credit

A supervised lender, or any loan officer of a supervised lender, may not knowingly permit, encourage or assist a consumer to submit false information on any application for credit, nor may a supervised lender or loan officer of a supervised lender knowingly falsify such information on a consumer's application.

Sec. 26. 9-A MRSA §9-314 is enacted to read:

SENATE AMENDMENT

2008

1 **§9-314. Rate locks**

2 If a supervised lender charges a consumer a fee to lock in a certain interest rate for a
3 certain length of time, that supervised lender shall:

4 1. Take steps that are necessary to actually secure or guarantee the specified rate for
5 the appropriate length of time;

6 2. Select a time period within which the loan can reasonably be expected to close;
7 and

8 3. Use good faith efforts to close the loan within the rate lock period.

9 **Sec. 27. 9-A MRS §9-315** is enacted to read:

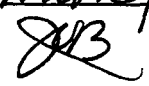
10 **§9-315. Prepayment penalty riders**

11 A supervised lender may not impose a prepayment penalty provision through use of a
12 rider or amendment to the loan contract if the terms of the loan contract state that no such
13 prepayment penalty may be imposed or that such a penalty is not specifically authorized
14 under state law.'

15 Amend the bill by relettering or renumbering any nonconsecutive Part letter or
16 section number to read consecutively.

17 **SUMMARY**

18 This amendment is being presented on behalf of the Committee on Bills in the
19 Second Reading to avoid a conflict with duplicate section numbers already enacted in
20 Public Law 2007, chapter 185.

21 **SPONSORED BY:** Ethan Strimling
22 (Senator STRIMLING) 
23 **COUNTY:** Cumberland