

# MAINE STATE LEGISLATURE

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# 124th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2009

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**Legislative Document**

**No. 728**

S.P. 278

In Senate, February 24, 2009

### **An Act To Protect Homeowners in Foreclosure Proceedings**

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

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator BARTLETT of Cumberland.

Cosponsored by Senators: ALFOND of Cumberland, BOWMAN of York, Representatives: BEAUDOIN of Biddeford, BECK of Waterville, BOLAND of Sanford, GOODE of Bangor, LEGG of Kennebunk.

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

2 **Sec. 1. 14 MRSA §6322**, as amended by PL 1991, c. 744, §3, is further amended  
3 to read:

4 **§6322. Hearing and judgment**

5 Before hearing, the court shall refer the parties to alternative dispute resolution  
6 through the Court Alternative Dispute Resolution Service established in Title 4, section  
7 18-B. The Supreme Judicial Court may adopt or amend rules of procedure for  
8 proceedings under this section. After hearing, the court shall determine whether there has  
9 been a breach of condition in the plaintiff's mortgage, the amount due thereon, including  
10 reasonable attorney's fees and court costs, the order of priority and those amounts, if any,  
11 that may be due to other parties that may appear and whether any public utility easements  
12 held by a party in interest survive the proceedings. For purposes of this section, "public  
13 utility easements" has the same meaning as set forth in section 6321.

14 If the court determines that such a breach exists, a judgment of foreclosure and sale  
15 shall ~~issue~~ must be issued providing that if the mortgagor, ~~his~~ or the mortgagor's  
16 successors, heirs and assigns do not pay the sum that the court adjudges to be due and  
17 payable, with interest within the period of redemption, the mortgagee shall proceed with a  
18 sale as provided. If the mortgagor, ~~his~~ or the mortgagor's successors, heirs and assigns  
19 pay to the mortgagee the sum that the court adjudges to be due and payable to the  
20 mortgagee with interest within the period of redemption, then the mortgagee shall  
21 forthwith discharge the mortgage and file a dismissal of the action for ~~foreclosure~~  
22 foreclosure with the clerk of the court.

23 On mortgages executed prior to October 1, 1975, unless the mortgage contains  
24 language to the contrary, the period of redemption ~~shall be~~ is one year from the date of  
25 the judgment. On mortgages executed on or after October 1, 1975, the period of  
26 redemption ~~shall be~~ is 90 days from the date of the judgment. For mortgage foreclosure  
27 proceedings initiated on or after October 1, 2009 on any mortgage, the period of  
28 redemption is one year from the date of the judgment. In ~~either~~ any case, the redemption  
29 period ~~shall begin~~ begins to run upon entry of the judgment of foreclosure, ~~provided that~~  
30 as long as no appeal is taken.

31 **SUMMARY**

32 This bill extends the period of redemption in residential foreclosure proceedings  
33 initiated on or after October 1, 2009 on any mortgage to one year. The bill also requires  
34 the use of alternative dispute resolution in foreclosures.