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By: **Delegate Krysiak**

Introduced and read first time: February 10, 1999

Assigned to: Economic Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Mortgage Lending - Private Mortgage Insurance**

3 FOR the purpose of altering certain provisions of State law relating to private  
4 mortgage insurance to conform to the provisions of the federal Homeowners  
5 Protection Act of 1998; providing for the effective date of this Act; and generally  
6 relating to private mortgage insurance.

7 BY repealing and reenacting, with amendments,  
8 Article - Commercial Law  
9 Section 12-106(d)  
10 Annotated Code of Maryland  
11 (1990 Replacement Volume and 1998 Supplement)

12 BY repealing and reenacting, with amendments,  
13 Article - Financial Institutions  
14 Section 5-508 and 9-903  
15 Annotated Code of Maryland  
16 (1998 Replacement Volume and 1998 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article - Commercial Law**

20 12-106.

21 (d) (1) At the time of application for a loan under this title secured by  
22 residential real property, the lender shall furnish to the borrower a clear and  
23 conspicuous written statement, in print not smaller than 10 point type, specifying  
24 that if private mortgage insurance is required to be purchased as a condition for  
25 making the loan, the borrower may be eligible to request that under appropriate  
26 circumstances the private mortgage insurance be canceled. The statement shall be  
27 signed by the borrower and a copy shall be furnished to the borrower.

