

SENATE BILL 222

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1999 Regular Session
9r1548
CF 9r1857

By: **Senator Astle**

Introduced and read first time: February 1, 1999

Assigned to: Finance

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.

