



# 125th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2011

---

Legislative Document

No. 1012

H.P. 748

House of Representatives, March 10, 2011

---

**An Act To Require a Mortgagee To Provide the Original Release of  
Mortgage to the Mortgagor after the Release Is Recorded**

---

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

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST  
Clerk

Presented by Representative RICHARDSON of Warren.  
Cosponsored by Representative: STRANG BURGESS of Cumberland.

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

2 **Sec. 1. 33 MRSA §551, 2nd ¶**, as enacted by PL 1999, c. 230, §1 and affected by  
3 §2, is amended to read:

4 Within 60 days after full performance of the conditions of the mortgage, the  
5 mortgagee shall record a valid and complete release of mortgage together with any  
6 instrument of assignment necessary to establish the mortgagee's record ownership of the  
7 mortgage. Within 30 days after recording the release of mortgage, the mortgagee shall  
8 send the release by certified mail, return receipt requested, to the mortgagor's address as  
9 listed in the mortgage agreement or to an address specified in writing by the mortgagor  
10 for this purpose. As used in this paragraph, the term "mortgagee" means both the owner  
11 of the mortgage at the time it is satisfied and any servicer who receives the final payment  
12 satisfying the debt. If a release is not transmitted to the registry of deeds within 60 days,  
13 the owner and any such servicer are jointly and severally liable to an aggrieved party for  
14 damages equal to exemplary damages of \$200 per week after expiration of the 60 days,  
15 up to an aggregate maximum of \$5,000 for all aggrieved parties or the actual loss  
16 sustained by the aggrieved party, whichever is greater. If multiple aggrieved parties seek  
17 exemplary damages, the court shall equitably allocate the maximum amount. If the  
18 release is not sent by certified mail, return receipt requested, to the mortgagor's address  
19 as listed in the mortgage agreement or to an address specified in writing by the mortgagor  
20 for this purpose within 30 days after the release is recorded, the mortgagee is liable to an  
21 aggrieved party for damages equal to exemplary damages of \$500. The mortgagee is also  
22 liable for court costs and reasonable attorney's fees in any successful action to enforce the  
23 liability imposed under this paragraph. The mortgagee may charge the mortgagor for any  
24 recording fees incurred in recording the release of mortgage and any postage fees  
25 incurred in sending the release to the mortgagor.

26 **SUMMARY**

27 This bill requires that, within 30 days after recording a release of a mortgage, the  
28 mortgagee must send the release by certified mail, return receipt requested, to the  
29 mortgagor's address as listed in the mortgage or to an address specified by the mortgagor  
30 for this purpose. A mortgagee who fails to provide the release to the mortgagor in the  
31 manner specified is liable to an aggrieved party for damages equal to exemplary damages  
32 of \$500.