

Date:

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**INSURANCE AND FINANCIAL SERVICES**

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**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
127TH LEGISLATURE  
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to H.P. 231, L.D. 337, Bill, “An Act To Require Lienholders To Remove Liens Once Satisfied”

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

**'Sec. 1. 10 MRSA §4013** is enacted to read:

**§4013. Removal of lien**

**1. Removal within 60 days.** Unless a specific time period is otherwise provided, a holder of a lien against property issued pursuant to the laws of this State shall remove the lien within 60 days of satisfaction or discharge of the lien by the debtor or owner of the property or agent of the debtor or owner. The holder of the lien shall provide written notice by first-class mail to any person who was provided notice of the lien at the time the lien was originally filed that the lien has been removed.

**2. Liability.** A holder of a lien, other than a municipality, who fails to remove a lien as provided in subsection 1 is liable to the debtor or owner of the property for actual damages suffered as a result of the failure to remove the lien. A debtor or owner of the property who prevails in an action to recover damages under this subsection is entitled to reasonable attorney's fees and costs incurred in bringing the action.

**3. Application.** This section does not apply to a financing statement or other record governed by Title 11.'

**SUMMARY**

This amendment is the majority report of the committee and replaces the bill. Unless a specific time period is otherwise provided, the amendment requires a lienholder to remove a lien issued pursuant to the laws of this State no later than 60 days after a lien has been satisfied. The amendment also clarifies that the requirement does not apply to financing statements filed pursuant to the Uniform Commercial Code. The bill requires removal of a lien within 30 days and applies to all liens filed under state law. The

**COMMITTEE AMENDMENT**

1 amendment requires a lienholder to provide written notice by first-class mail of the lien's  
2 removal to any person provided notice at the time the lien was originally filed. The  
3 amendment also provides that a lienholder other than a municipality that fails to remove a  
4 lien is liable to a debtor or owner of the property for damages.

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**FISCAL NOTE REQUIRED**

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**(See attached)**