By Representative Culp

A bill to be entitled

An act relating to mortgage insurance; creating s. 627.708, F.S.; requiring cancellation of a homeowner's mortgage insurance under certain circumstances; providing an exception; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 627.708, Florida Statutes, is created to read:

627.708 Mortgage insurance; cancellation.--Notwithstanding any other provision of law, a mortgagee shall cancel any mortgage insurance required by the mortgagee on a mortgage on residential property whenever the equity in the mortgaged property equals or exceeds 20 percent of the total amount of the mortgage, unless the mortgagor requests in writing that such insurance be continued. A mortgagor who has requested the continuation of mortgage insurance under this section may cancel such insurance at any time.

Section 2. This act shall take effect upon becoming a law.

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HOUSE SUMMARY

Requires cancellation of mortgage insurance on a residential mortgage when a homeowner's equity in the mortgaged property equals or exceeds 20 percent of the value of the mortgage unless the homeowner requests continuation of the insurance. See bill for details.

CODING: Words ~~stricken~~ are deletions; words underlined are additions.