

HOUSE BILL NO. HB0292

Mortgage insurance.

Sponsored by: Representative(s) Pedersen, Illoway and
Zwonitzer, Dn. and Senator(s) Anderson, J.
and Ross

A BILL

for

1 AN ACT relating to property insurance; prohibiting lenders
2 from requiring property insurance exceeding the value of
3 improvements on real property; providing penalties; and
4 providing for an effective date.

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6 *Be It Enacted by the Legislature of the State of Wyoming:*

7

8 **Section 1.** W.S. 26-23-109 is created to read:

9

10 **26-23-109. Requirements on property insurance**
11 **coverage for loans secured by real property.**

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13 (a) No lender shall require a borrower under a loan
14 secured by real property to provide property insurance
15 coverage on that property in the amount exceeding the
16 replacement value of the improvements on the property.

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2 (b) Any person harmed by a violation of this section
3 shall be entitled to obtain injunctive relief and may
4 recover reasonable attorney fees and costs.

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6 (c) A violation of this section does not affect the
7 validity of the loan or the mortgage or deed of trust.

8

9 **Section 2.** This act is effective July 1, 2009.

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11

(END)