

§10155. Consumer underwriting and disclosure

1. Underwriting. A PACE agreement entered into pursuant to a PACE program must comply with underwriting requirements established by rule by the trust. In adopting such rules, the trust shall seek advice from the Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection and consumer credit industry stakeholders. Underwriting requirements established by the trust must, at a minimum:

- A. Limit the amount of a PACE mortgage for qualifying property that is residential property to \$15,000; [PL 2009, c. 591, §1 (NEW).]
 - B. Require debt-to-income ratios of not more than 50% for qualifying property that is residential property; [PL 2009, c. 591, §1 (NEW).]
 - C. Provide that the term of the PACE agreement not exceed the estimated useful life of the financed energy savings improvements; [PL 2009, c. 591, §1 (NEW).]
 - D. Require that financed energy savings improvements are cost-effective; [PL 2009, c. 591, §1 (NEW).]
 - E. Require proof of ownership of the qualified property; [PL 2009, c. 591, §1 (NEW).]
 - F. Require that the qualified property:
 - (1) Is current on property taxes and sewer charges;
 - (2) Has no outstanding and unsatisfied tax or sewer liens;
 - (3) Is not subject to a reverse mortgage; and
 - (4) Is not subject to a mortgage or other lien on which there is a recorded notice of default, foreclosure or delinquency that has not been cured; [PL 2009, c. 591, §1 (NEW).]
 - G. Require that the owner or owners of the qualified property certify that there are no overdue payments on mortgages secured by the property; and [PL 2009, c. 591, §1 (NEW).]
 - H. Require escrows for PACE assessment payments when appropriate. [PL 2009, c. 591, §1 (NEW).]
- [PL 2009, c. 591, §1 (NEW).]

2. Consumer disclosure; truth in lending. A PACE agreement entered into pursuant to a PACE program must provide consumer disclosure consistent with the principles of truth in lending as specified in rules adopted by the trust. In adopting such rules, the trust shall seek advice from the Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection and consumer credit industry stakeholders. Notwithstanding Title 9-A, section 1-202, PACE mortgages are not subject to the Maine Consumer Credit Code, Article 8-A.
[PL 2011, c. 427, Pt. D, §25 (AMD).]

3. Consumer privacy. The provisions of the federal Gramm-Leach-Bliley Act, 15 United States Code, Section 6801 et seq. (1999), and the applicable implementing federal regulations regarding the privacy of consumer information, apply to all consumer financial information obtained by the trust or municipalities or their designees in implementing PACE programs under this chapter.
[PL 2009, c. 591, §1 (NEW).]

SECTION HISTORY

PL 2009, c. 591, §1 (NEW). PL 2011, c. 427, Pt. D, §25 (AMD).

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