

SENATE BILL 997

By McNally

AN ACT to amend Tennessee Code Annotated, Title 45,
relative to good faith estimates on closing fees for
the purchase of a home.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 45, Chapter 13, Part 1, is amended by adding the following language as a new, appropriately designated section:

Section 45-13-1___. A mortgage lender, mortgage broker or mortgage loan originator has no authority to estimate the cost of the insurance premium for homeowner's insurance on the residential real property being acquired by a prospective purchaser for inclusion its good faith estimate of closing costs. It is the responsibility of the prospective purchaser to provide this information to the mortgage lender, mortgage broker or mortgage loan originator prior to the good faith estimate of closing costs being issued to the prospective purchaser.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.