

*****Pending*****

AMENDMENT No. 1 PROPOSED TO

Senate Bill NO. 2563

By Representative(s) Committee

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

9 SECTION 1. Section 89-1-49, Mississippi Code of 1972, is
10 amended as follows:

11 89-1-49. (1) Except as provided in subsections (2), (3) and
12 (4) of this section, payment of the money secured by any mortgage
13 or deed of trust shall extinguish it, and revert the title in the
14 mortgagor as effectually as if reconveyed.

15 (2) This section shall have no application to security
16 agreements executed under the Mississippi Uniform Commercial Code
17 nor to security interests created by such security agreements.

18 (3) * * * Mortgages or deeds of trust not covered by this
19 section shall be extinguished as provided in subsection (2) of
20 Section 89-5-21. As used in this section, the term "line of
21 credit" means any loan, extension of credit or financing
22 arrangement where the lender has agreed to make additional or
23 future advances.

24 (4) This section shall have no application to a mortgage or
25 deed of trust which secures a line of credit.

26 SECTION 2. Section 89-5-21, Mississippi Code of 1972, is
27 amended as follows:

28 89-5-21. (1) Except as otherwise provided in this section,
29 any mortgagee or cestui que trust, or assignee of any mortgagee or

30 cestui que trust, of real or personal estate, having received full
31 payment of the money due by the mortgage or deed of trust, shall
32 enter satisfaction upon the margin of the record of the mortgage
33 or deed of trust, which entry shall be attested by the clerk of
34 the chancery court and discharge and release the same, and shall
35 bar all actions or suits brought thereon, and the title shall
36 thereby revert in the grantor.

37 * * *

38 (2) Any such mortgagee or cestui que trust, or such
39 assignee, by himself or his attorney, who does not, after payment
40 of all sums owed, within one (1) month after written request,
41 cancel on the record the mortgage or deed of trust shall forfeit
42 the sum of Two Hundred Dollars (\$200.00), which can be recovered
43 by suit on part of the party aggrieved, and if after request, he
44 fails or refuses to make such acknowledgment of satisfaction, the
45 person so neglecting or refusing shall forfeit and pay to the
46 party aggrieved any sum not exceeding the mortgage money, to be
47 recovered by action; but such entry of satisfaction may be made by
48 anyone authorized to do it by the written authorization of the
49 mortgagee or beneficiary, duly acknowledged and recorded, and
50 shall have the same effect as if done by the mortgagee or
51 beneficiary.

52 (3) As used in this section, the term "line of credit" means
53 any loan, extension of credit or financing arrangement where the
54 lender has agreed to make additional or future advances.

55 (4) Any mortgagee or cestui que trust, or the assignee of a
56 mortgagee or cestui que trust, under a mortgage or deed of trust
57 securing a line of credit shall, upon (a) the termination or
58 maturity of the line of credit and the payment of all sums owing
59 in connection with the line of credit, or (b) the payment of all
60 sums owing in connection with the line of credit and a written
61 request by the debtor to cancel the line of credit and the

62 mortgage or deed of trust securing the line of credit, enter
63 satisfaction upon the margin of the record of the mortgage or deed
64 of trust, which entry shall be attested by the clerk of the
65 chancery court and discharge and release the same, and shall bar
66 all actions or suits brought thereon, and the title shall thereby
67 revest in the grantor. For the purpose of this subsection (4),
68 the requirement of a written request by the debtor may be
69 satisfied by a prospective creditor's delivery of a document,
70 signed by the debtor, requesting cancellation of the line of
71 credit and the mortgage or deed of trust securing the line of
72 credit.

73 SECTION 3. This act shall take effect and be in force from
74 and after its passage.