

**REPEAL PROVISIONS RELATED TO
ASSUMPTION OF INDEBTEDNESS ON
RESIDENTIAL REAL PROPERTY**

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kevin S. Garn

Senate Sponsor: Scott K. Jenkins

LONG TITLE

Committee Note:

The Business and Labor Interim Committee recommended this bill.

General Description:

This bill repeals provisions related to assumption of indebtedness on residential real property.

Highlighted Provisions:

This bill:

- ▶ repeals provisions related to assumption of indebtedness on residential real property; and
- ▶ makes technical and conforming changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

7-7-44, as enacted by Laws of Utah 1983, Chapter 8

REPEALS:



- 28 **57-15-1**, as enacted by Laws of Utah 1981, Chapter 224
- 29 **57-15-2**, as enacted by Laws of Utah 1981, Chapter 224
- 30 **57-15-3**, as enacted by Laws of Utah 1981, Chapter 224
- 31 **57-15-4**, as enacted by Laws of Utah 1981, Chapter 224
- 32 **57-15-5**, as enacted by Laws of Utah 1981, Chapter 224
- 33 **57-15-6**, as last amended by Laws of Utah 1995, Chapter 20
- 34 **57-15-7**, as enacted by Laws of Utah 1981, Chapter 224
- 35 **57-15-8**, as enacted by Laws of Utah 1981, Chapter 224
- 36 **57-15-8.5**, as last amended by Laws of Utah 2007, Chapter 56
- 37 **57-15-9**, as enacted by Laws of Utah 1981, Chapter 224
- 38 **57-15-10**, as enacted by Laws of Utah 1981, Chapter 224
- 39 **57-15-11**, as enacted by Laws of Utah 1985, Chapter 2

40

41 *Be it enacted by the Legislature of the state of Utah:*

42 Section 1. Section **7-7-44** is amended to read:

43 **7-7-44. Chapter controls over inconsistent laws -- Laws on assumption of real**
44 **estate security interests not suspended or repealed.**

45 ~~[(1) Except as otherwise specified in Subsection (2), if any provisions]~~ If a provision of
46 this chapter ~~[are]~~ is inconsistent with ~~[the provisions]~~ a provision of any other state law
47 affecting ~~[associations]~~ an association existing as of ~~[the effective date of this act]~~ March 18,
48 1983, the ~~[provisions]~~ provision of this chapter ~~[shall control]~~ controls.

49 ~~[(2) Nothing in this chapter may be construed to supersede or repeal, or interpreted or~~
50 ~~applied, now or in the past or future, to supersede or repeal Title 57, Chapter 15:]~~

51 Section 2. **Repealer.**

52 This bill repeals:

53 Section **57-15-1, Legislative findings.**

54 Section **57-15-2, Provision for acceleration or increased interest on assumption**
55 **unenforceable -- Exception.**

56 Section **57-15-3, Substantial impairment of lender's prospect of prompt and full**
57 **payment.**

58 Section **57-15-4, Charge assessed by secured party for assumption -- Limitation.**

- 59 Section 57-15-5, Property subject to chapter.
- 60 Section 57-15-6, Exempt lenders.
- 61 Section 57-15-7, Calling entire balance on impairment of security.
- 62 Section 57-15-8, Procedure for assumption -- Request to lender -- Effect of failure
- 63 to request -- Approval or refusal by lender -- Information furnished by lender.
- 64 Section 57-15-8.5, Acceleration or maturing an indebtedness -- Conditions
- 65 authorizing -- Exemption of loans sold to federal agencies.
- 66 Section 57-15-9, Liability for damages caused by violation.
- 67 Section 57-15-10, Severability of provisions.
- 68 Section 57-15-11, Limitation on enforcement of due-on-sale clauses.

Legislative Review Note
as of 11-15-07 8:56 AM

Office of Legislative Research and General Counsel

Fiscal Note**H.B. 56 - Repeal Provisions Related to Assumption of Indebtedness on
Residential Real Property**

2008 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Individual and business impacts will vary according to circumstances.
