

## Session 115 - (2003-2004)

**H 3125 General Bill, By Stille, Cotty and Martin**

***Similar (S 0017, S 0438, H 3616)***

**Summary:** High Cost and Consumer Home Loans Act

Predatory Lending Bill

A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING CHAPTER 23 TO TITLE 37 RELATING TO CONSUMER PROTECTION SO AS TO ENACT THE SOUTH CAROLINA HIGH-COST AND CONSUMER HOME LOANS ACT; TO DEFINE THE SUBJECT LOANS; TO PROHIBIT PROVISIONS IN A HIGH-COST HOME LOAN AGREEMENT FOR ACCELERATION, BALLOON PAYMENT, NEGATIVE AMORTIZATION, INTEREST INCREASE, ADVANCE PAYMENTS FROM LOAN PROCEEDS, AND ADDITIONAL FEES IN CERTAIN CIRCUMSTANCES; TO REQUIRE A HIGH-COST HOME LOAN LENDER TO ENSURE THAT THE BORROWER RECEIVES LOAN COUNSELING AND IS REASONABLY ABLE TO MEET HIS LOAN OBLIGATIONS; TO PROHIBIT THE FINANCING OF CERTAIN FEES IN CONNECTION WITH MAKING A HIGH-COST HOME LOAN AND THE CHARGING OF POINTS AND FEES IN CONNECTION WITH THE REFINANCING OF AN EXISTING HIGH-COST HOME LOAN; TO REGULATE THE PAYMENT OF A HOME IMPROVEMENT CONTRACTOR FROM THE PROCEEDS OF A HIGH-COST HOME LOAN; TO PROVIDE THAT A BAD-FAITH VIOLATION OF THE HIGH-COST HOME LOAN PROHIBITIONS OR RESTRICTIONS IS AN UNFAIR OR DECEPTIVE TRADE PRACTICE SUBJECT TO CHAPTER 5 OF TITLE 39; TO PROVIDE FOR ENFORCEMENT BY THE ADMINISTRATOR OF THE DEPARTMENT OF CONSUMER AFFAIRS, ATTORNEY GENERAL, COMMISSIONER OF BANKING, OR A PARTY TO THE LOAN; TO PROVIDE THAT THE REMEDIES AND PENALTIES FOR VIOLATIONS OF THE HIGH-COST HOME LOAN RESTRICTIONS AND PROHIBITIONS ARE CUMULATIVE; TO PROVIDE FOR ESTABLISHMENT OF GOOD FAITH BY A HIGH-COST HOME LOAN LENDER; TO PROVIDE CERTAIN RESTRICTIONS AND PROHIBITIONS IN THE MAKING OF A CONSUMER HOME LOAN, INCLUDING RESTRICTIONS ON THE CHARGING OF POINTS AND FEES AND THE PROHIBITION OF "FLIPPING" A LOAN, FINANCING CERTAIN INSURANCE PREMIUMS, AND ENCOURAGING DEFAULT OF A PREVIOUS LOAN; TO PROVIDE THAT A VIOLATION OF THE CONSUMER HOME LOAN RESTRICTIONS OR PROHIBITIONS IS AN UNFAIR OR DECEPTIVE TRADE PRACTICE; TO PROVIDE FOR ENFORCEMENT BY THE ADMINISTRATOR OF THE DEPARTMENT OF CONSUMER AFFAIRS, ATTORNEY GENERAL, COMMISSIONER OF BANKING, OR A PARTY TO THE CONSUMER HOME LOAN; AND TO PROVIDE FOR PENALTIES AND REMEDIES, INCLUDING ATTORNEYS' FEES, AND TO MAKE THEM CUMULATIVE OF AND IN ADDITION TO OTHER REMEDIES AND PENALTIES PROVIDED AT LAW.

**12/04/02 House Prefiled**

**12/04/02 House Referred to Committee on Labor, Commerce and Industry**

**01/14/03 House Introduced and read first time HJ-54**

**01/14/03 House Referred to Committee on Labor, Commerce and Industry HJ-55**

**01/22/03 House Member(s) request name added as sponsor: Cotty**

**01/30/03 House Member(s) request name added as sponsor: Martin**