

## Session 115 - (2003-2004)

**H 3616 General Bill, By Cato, Wilkins, Chellis, Clark, Edge, Clemmons, Bailey and Toole**

**Similar (S 0017, S 0438, H 3125)**

**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 PROVIDE FOR APPLICATION OF SOUTH CAROLINA LAW TO HIGH-COST HOME LOAN AGREEMENTS; TO REQUIRE A HIGH-COST HOME LOAN LENDER TO PROVIDE ADDITIONAL DISCLOSURES TO THE BORROWER AND TO ENSURE THAT THE BORROWER 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, DIRECTOR OF THE CONSUMER FINANCE DIVISION OF THE STATE BOARD OF FINANCIAL INSTITUTIONS, OR A PARTY TO THE LOAN; 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 THE PROHIBITION OF "FLIPPING" A LOAN 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, DIRECTOR OF THE CONSUMER FINANCE DIVISION OF THE STATE BOARD OF FINANCIAL INSTITUTIONS, OR A PARTY TO THE CONSUMER HOME LOAN; TO PROVIDE FOR PENALTIES AND REMEDIES, INCLUDING ATTORNEY'S FEES; TO AMEND SECTION 37-10-103, RELATING TO PREPAYMENT OF MISCELLANEOUS LOANS, SO AS TO PROVIDE FOR PREPAYMENT WITHOUT PENALTY OF A CONSUMER HOME LOAN OF LESS THAN ONE HUNDRED FIFTY THOUSAND DOLLARS; AND TO AMEND SECTION 37-1-109, AS AMENDED, RELATING TO CHANGING DOLLAR AMOUNTS USED IN THE CONSUMER PROTECTION CODE, SO AS TO REFLECT THE DOLLAR AMOUNT FOR PREPAYMENT OF A CONSUMER HOME LOAN WITHOUT PENALTY.

<b>02/13/03</b>	<b>House</b>	<b>Introduced and read first time HJ-25</b>
<b>02/13/03</b>	<b>House</b>	<b>Referred to Committee on Labor, Commerce and Industry HJ-27</b>
<b>02/18/03</b>	<b>House</b>	<b>Member(s) request name added as sponsor: Clark</b>
<b>03/05/03</b>	<b>House</b>	<b>Committee report: Favorable with amendment Labor, Commerce and Industry HJ-8</b>
<b>03/06/03</b>	<b>House</b>	<b>Requests for debate-Rep(s). Cato, JE Smith, Thompson, White, Cobb-Hunter, Altman, Scarborough, Trotter, Owens, Leach, Ott, FN Smith, Viers, Skelton, Lloyd, Chellis, Cotty, Sandifer, Weeks, Whitmire, Neilson, Loftis, Duncan, Sinclair and Hosey HJ-13</b>
<b>03/06/03</b>		<b>Scrivener's error corrected</b>
<b>03/18/03</b>	<b>House</b>	<b>Member(s) request name added as sponsor: Edge, Clemmons</b>
<b>03/19/03</b>	<b>House</b>	<b>Member(s) request name added as sponsor: Bailey</b>
<b>03/26/03</b>	<b>House</b>	<b>Debate adjourned until Thursday, March 27, 2003 HJ-45</b>
<b>04/01/03</b>	<b>House</b>	<b>Member(s) request name added as sponsor: Toole</b>
<b>04/02/03</b>	<b>House</b>	<b>Recommitted to Committee on Labor, Commerce and Industry HJ-73</b>