

## Session 114 - (2001-2002)

### H 4614 General Bill, By Kirsh

**Summary:** Flipping of home loans prohibited; predatory lending practices

A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 37-10-109 SO AS TO PROHIBIT A LENDER FROM KNOWINGLY ENGAGING IN FLIPPING A HOME LOAN AND TO DEFINE "FLIPPING" AND "HOME LOAN"; BY ADDING SECTION 37-10-113 SO AS TO LIMIT THE IMPOSITION OF CHARGES FOR POINTS AND FEES IN CONNECTION WITH A LOAN MADE BY A CONSUMER LENDER AND A MORTGAGE LOAN BROKER AND TO DEFINE "POINTS AND FEES" AND "TOTAL LOAN AMOUNT"; BY ADDING SECTIONS 37-2-417, 37-3-413, AND 37-10-117, ALL SO AS TO PROHIBIT THE FINANCING OF CERTAIN INSURANCE PREMIUMS OR DEBT CANCELLATION OR SUSPENSION PAYMENTS IN CONNECTION WITH A CREDIT SALE OR LOAN SECURED BY A HOME; TO AMEND SECTION 37-10-103, RELATING TO PREPAYMENT WITHOUT PENALTY OF CERTAIN LOANS, SO AS TO INCREASE THE LOAN LIMIT FROM ONE HUNDRED THOUSAND DOLLARS TO ONE HUNDRED FIFTY THOUSAND DOLLARS; TO AMEND SECTION 37-5-108, AS AMENDED, RELATING TO UNCONSCIONABILITY IN CONSUMER CREDIT TRANSACTIONS, SO AS TO PROVIDE THAT IF, CONSIDERING CERTAIN FACTORS, THE CONSUMER IS UNABLE TO MAKE SCHEDULED PAYMENTS ON THE OBLIGATION WHEN DUE OR IS PERMITTED TO ENTER INTO A TRANSACTION FROM WHICH HE DERIVES NO SUBSTANTIAL BENEFIT, THE COURT MAY FIND THE TRANSACTION UNCONSCIONABLE; AND TO AMEND SECTION 37-10-105, AS AMENDED, RELATING TO DEBTOR REMEDIES IN CERTAIN LOANS, SO AS TO INCLUDE CERTAIN FACTORS ON WHICH THE COURT MAY BASE A FINDING THAT THE LOAN IS UNCONSCIONABLE.

**01/30/02 House Introduced and read first time HJ-8**

**01/30/02 House Referred to Committee on Labor, Commerce and Industry HJ-9**