~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

February 23, 2022

**S. 637**

Introduced by Senator Cromer

S. Printed 2/23/22--S.

Read the first time March 2, 2021.

**THE COMMITTEE ON BANKING AND INSURANCE**

To whom was referred a Bill (S. 637) to amend Section 37‑22‑110, Code of Laws of South Carolina, 1976, relating to definitions applicable to the mortgage lending laws of this state so as to, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

RONNIE W. CROMER for Committee.

**A** **BILL**

TO AMEND SECTION 37‑22‑110, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DEFINITIONS APPLICABLE TO THE MORTGAGE LENDING LAWS OF THIS STATE SO AS TO ESTABLISH CERTAIN CRITERIA A RETAILER OF MANUFACTURED OR MODULAR HOMES MUST MEET TO QUALIFY AS AN “EXEMPT PERSON”; AND TO AMEND SECTION 40‑58‑20, RELATING TO DEFINITIONS APPLICABLE TO THE LICENSING OF MORTGAGE BROKERS ACT, SO AS TO ESTABLISH CERTAIN CRITERIA A RETAILER OF MANUFACTURED OR MODULAR HOMES MUST MEET TO QUALIFY AS AN “EXEMPT PERSON”.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 37‑22‑110(18)(i) of the 1976 Code is amended to read:

“(i) ~~a manufactured home retailer and its employees if performing only clerical or support duties in connection with the sale or lease of a manufactured home and the manufactured home retailer and its employees receive no compensation or other gain from a mortgage lender or a mortgage broker for the performance of the clerical or support duties~~ a retailer of manufactured or modular homes or an employee of the retailer if the retailer or employee:

(i) does not receive compensation or other gain for engaging in activities described in items (1), (2), or (26) in excess of any compensation or gain received in a comparable cash transaction;

(ii) discloses in writing to the consumer any corporate affiliation with any creditor and, if a corporate affiliation exists, the identity of at least one unaffiliated creditor; and

(iii) does not directly negotiate with the consumer or lender on loan terms including, but not limited to, rates, fees, and other costs; or”

SECTION 2. Section 40‑58‑20(16)(i) of the 1976 Code is amended to read:

“(i) ~~a manufactured home retailer and its employees if performing only clerical or support duties in connection with the sale or lease of a manufactured home and the manufactured home retailer and its employees receive no compensation or other gain from a mortgage lender or a mortgage broker for the performance of the clerical or support duties~~ a retailer of manufactured or modular homes or an employee of the retailer if the retailer or employee:

(i) does not receive compensation or other gain for engaging in activities described in items (1), (2), or (24) in excess of any compensation or gain received in a comparable cash transaction;

(ii) discloses in writing to the consumer any corporate affiliation with any creditor and, if a corporate affiliation exists, the identity of at least one unaffiliated creditor; and

(iii) does not directly negotiate with the consumer or lender on loan terms including, but not limited to, rates, fees, and other costs; or”

SECTION 3. This act takes effect upon approval by the Governor.

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