

April 6, 2009

**H 1137. NC CONSUMER FINANCE ACT AMENDMENTS.** Filed 4/6/09. *TO PROHIBIT THE WRITING OF CREDIT LIFE AND RELATED FORMS OF INSURANCE FOR LOANS ISSUED BY AN ENTITY THAT IS SUBJECT TO THE NORTH CAROLINA CONSUMER FINANCE ACT; AND TO AMEND THE USE OF RECORDING FEES COLLECTED PURSUANT TO THAT ACT.*

Amends GS 53-189 to prohibit the writing of credit life, credit accident and health, credit unemployment, and credit property insurance for any loan that is subject to GS Chapter 53, Article 15, the *NC Consumer Finance Act* (Act). Also prohibits the writing of a debt cancellation agreement or suspension agreement for any loan subject to the Act. Makes conforming changes.

Amends GS 53-177 to remove the options available to the licensee collecting fees from the borrower as to how the fees may be applied. Requires that upon full disclosure to the borrower on how the fees will be applied, the fees must be paid by the licensee to the public official or agency of the county or state with whom the licensee filed or recorded its security interest collected from the borrower.

**Intro. by Hall.**

GS 53