

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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SENATE BILL 1223*

Short Title: Credit Ins. Clarification.

(Public)

Sponsors: Senator Soles.

Referred to: Commerce.

May 15, 2000

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THAT CREDIT INSURANCE MAY BE PAID ON A LEVEL
CHARGE MONTHLY BASIS WITHOUT VIOLATING THE LAW RELATING
TO CONSUMER PROTECTIONS IN CERTAIN HOME LOANS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 24-10.2(b) reads as rewritten:

"(b) Notwithstanding the provisions of G.S. 58-57-35(b), it shall be unlawful for any lender in a consumer home loan to finance, directly or indirectly, any credit life, disability, or unemployment insurance, or any other life or health insurance premiums; ~~premiums; provided, that insurance premiums calculated and paid on a monthly basis shall not be considered financed by the lender. Premiums for credit life, disability, or unemployment insurance, or any other life or health insurance in a consumer home loan shall be charged, collected, and paid only on a monthly basis and only for the term of the insurance coverage. Notwithstanding G.S. 58-57-40(g) or G.S. 58-57-45(f), a credit insurance company may charge the same level premium each month over the term of the insurance coverage under this subsection.~~"

Section 2. This act becomes effective July 1, 2000.