

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas  
2 84th General Assembly  
3 Regular Session, 2003

# A Bill

HOUSE BILL 2776

4  
5 By: Representative C. Johnson  
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7

## For An Act To Be Entitled

8  
9 AN ACT TO PROHIBIT PREDATORY LENDING IN THE HOME  
10 MORTGAGE MARKET; AND FOR OTHER PURPOSES.  
11

### Subtitle

12  
13 TO PROHIBIT PREDATORY LENDING.  
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16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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18 SECTION 1. The purpose of this act is to prohibit predatory lending in  
19 the home mortgage market by limiting the late payment charges; by setting  
20 requirements to which lenders must follow; by prohibiting lenders from  
21 recommending or encouraging default on an existing loan or other debt before  
22 or in connection with a closing on the sale of a home; by prohibiting lenders  
23 from making, directly or indirectly, false, deceptive, or misleading  
24 statements or representations related to a home loan transaction; by  
25 prohibiting lenders from financing credit life, credit disability, or credit  
26 unemployment insurance, or any other life or health insurance premiums  
27 through a home loan; by providing that home loan contracts with blanks left  
28 in them shall not be enforceable under law; by prohibiting scheduled loan  
29 payments from being twice as large as earlier scheduled payments; by  
30 prohibiting home loan contracts from containing a provision that increases  
31 interest rate after default, accelerates the debt, or charges a borrower fees  
32 to modify, renew or extend payment under the loan; and to otherwise protect  
33 the mortgagee of a home loan.  
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