

Regular Session, 2003

HOUSE RESOLUTION NO. 103

BY REPRESENTATIVES BROOME AND PEYCHAUD

A RESOLUTION

To urge and request the Office of Financial Institutions to promulgate rules and regulations in an effort to increase public awareness of prohibited predatory lending practices.

WHEREAS, abusive mortgage lending has become an increasing problem in Louisiana, exacerbating the loss of equity in homes and causing the number of foreclosures to increase in recent years; and

WHEREAS, one of the more common forms of abusive lending is the making of loans that are equity-based, rather than income-based; and

WHEREAS, the financing of points and fees in these loans provides immediate income to the originators and encourages lenders to repeatedly refinance home loans; and

WHEREAS, financially strapped homeowners who are trying to stave off foreclosures, consolidate bills, pay for home improvements, or rebuild after a disaster are targeted by predatory lenders; and

WHEREAS, it is vital for the state of Louisiana to protect its citizens from being victimized by unscrupulous lending practices.

THEREFORE, BE IT RESOLVED that the House of Representatives of the Legislature of Louisiana does hereby urge and request the commissioner of the Office of Financial Institutions to promulgate rules and regulations

designed to increase public awareness of prohibited predatory lending practices.

BE IT FURTHER RESOLVED that a suitable copy of this Resolution be forwarded to the commissioner of the Office of Financial Institutions.

---

SPEAKER OF THE HOUSE OF REPRESENTATIVES