

STATE OF OKLAHOMA

1st Session of the 43rd Legislature (1991)

SENATE BILL NO. 479

BY: HOBSON

AS INTRODUCED

AN ACT RELATING TO THE CONSUMER CREDIT CODE; AMENDING 14A O.S. 1981, SECTION 2-202, AS AMENDED BY SECTION 11, CHAPTER 335, O.S.L. 1982 (14A O.S. SUPP. 1990, SECTION 2-202), WHICH RELATES TO CHARGES FOR EXTENSIONS OF CREDIT; CLARIFYING STATUTORY REFERENCE; AUTHORIZING FEE FOR PREPARING CERTAIN DOCUMENTS IN CERTAIN TRANSACTIONS; STATING MAXIMUM AMOUNT OF FEE; REQUIRING DISCLOSURE OF FEE TO BUYER IN CERTAIN CONTRACTS; AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 14A O.S. 1981, Section 2-202, as amended by Section 11, Chapter 335, O.S.L. 1982 (14A O.S. Supp. 1990, Section 2-202), is amended to read as follows:

Section 2-202. (1) In addition to the credit service charge permitted by this part, a seller may contract for and receive the following additional charges in connection with a consumer credit sale:

- (a) official fees that are itemized and disclosed in accordance with rules of the Administrator, reasonable closing costs, and taxes;

- (b) charges for insurance as described in subsection (2) of this section; and
- (c) charges for other benefits, including insurance, conferred on the buyer, if the benefits are of value to him and if the charges are reasonable in relation to the benefits, are of a type which is not for credit, and are excluded as permissible additional charges from the credit service charge by rule adopted by the Administrator; and
- (d) a documentary fee for services rendered to, for or on behalf of a retail buyer in preparing, handling and processing documents relating to a retail installment transaction involving a motor vehicle, automobile, pick-up, motorcycle, recreational vehicle or boat. If a documentary fee is charged, it may not exceed Thirty Dollars (\$30.00) and it must be disclosed on the retail installment contract as a separate itemized charge.

(2) An additional charge may be made for insurance written in connection with the sale, other than insurance protecting the seller against the buyer's default or other credit loss,

- (a) with respect to insurance against loss of or damage to property, or against liability, if the seller furnishes a clear and specific statement in writing to the buyer, setting forth the cost of the insurance if obtained from or through the seller, and stating that the buyer may choose the person through whom the insurance is to be obtained; and
- (b) with respect to consumer credit insurance providing life, accident or health coverage, if the insurance coverage is not a factor in the approval by the seller of the extension of credit and this fact is clearly

disclosed in writing to the buyer, and if, in order to obtain the insurance in connection with the extension of credit, the buyer gives specific affirmative written indication of his desire to do so after written disclosure to him of the cost thereof.

SECTION 2. This act shall become effective September 1, 1991.

43-1-773

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