

ENGROSSED HOUSE
BILL NO. 1438

By: Weaver of the House

and

Wilkerson of the Senate

An Act relating to the consumer credit code; amending
14A O.S. 1991, Section 2-416, which relates to
revolving charge accounts; modifying period for
provision of certain notices; and providing an
effective date.

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

SECTION 1. AMENDATORY 14A O.S. 1991, Section 2-416, is
amended to read as follows:

Section 2-416. (1) If a seller makes a change in the terms of
a revolving charge account without complying with this section any
additional cost or charge to the buyer resulting from the change is
an excess charge and subject to the remedies available to debtors
(Section 5-202) and to the Administrator (Section 6-113).

(2) A seller may change the terms of a revolving charge account
whether or not the change is authorized by prior agreement. Except
as provided in subsection (3), the seller shall give to the buyer
written notice of any change at least three times, with the first
notice at least six (6) months before the effective date of the
change.

- (3) The notice specified in subsection (2) is not required if:
- (a) the buyer after receiving notice of the change agrees in writing to the change;
 - (b) the buyer elects to pay an amount designated on a billing statement (subsection (2) of Section 2-310) as including a new charge for a benefit offered to the buyer when the benefit and charge constitute the change in terms and when the billing statement also states the amount payable if the new charge is excluded;
 - (c) the change involves no significant cost to the buyer;
 - (d) the buyer has previously consented in writing to the kind of change made and notice of the change is given to the buyer ~~in two billing cycles~~ at least fifteen (15) days prior to the effective date of the change;
 - (e) the change applies only to purchases made or obligations incurred after a date specified in a notice of the change given ~~in two billing cycles~~ at least fifteen (15) days prior to the effective date of the change; or
 - (f) the change involves late payment charges or over-the-limit charges.

(4) The notice provided for in this section is given to the buyer when mailed to ~~him~~ the buyer at the address used by the seller for sending periodic billing statements.

SECTION 2. This act shall become effective July 1, 1995.

Passed the House of Representatives the 9th day of March, 1995.

Speaker of the House of
Representatives

Passed the Senate the ____ day of _____, 1995.

President of the Senate