

ENGROSSED SENATE
BILL NO. 39

By: Easley of the Senate

and

Hutchison of the House

An Act relating to consumer credit; amending 14A O.S. 1991, Section 4-102, which relates to insurance provided in relation to consumer credit sales, leases and loans; including joint accident and health insurance as permissible coverage for debtors with their comakers, endorsers and guarantors; and providing an effective date.

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

SECTION 1. AMENDATORY 14A O.S. 1991, Section 4-102, is amended to read as follows:

Section 4-102. (1) Except as provided in subsection (2), this article applies to insurance provided or to be provided in relation to a consumer credit sale (Section 2-104), a consumer lease (Section 2-106), or a consumer loan (Section 3-104).

(2) The provision on cancellation by a creditor (Section 4-304) applies to loans the primary purpose of which is the financing of insurance. No other provision of this article applies to insurance so financed.

(3) Joint life insurance coverage and joint accident and health insurance coverage for debtors with their comakers, endorsers and guarantors shall be permissible under this article; provided, not

more than two persons shall be so insured in connection with the same indebtedness.

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

Passed the Senate the 1st day of March, 1995.

President of the Senate

Passed the House of Representatives the ____ day of _____, 1995.

Speaker of the House of Representatives