

STATE OF OKLAHOMA

1st Session of the 45th Legislature (1995)

HOUSE BILL NO. 1438

By: Weaver

AS INTRODUCED

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; providing an effective date; and declaring an emergency.

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.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

