

STATE OF OKLAHOMA

2nd Session of the 46th Legislature (1998)

HOUSE BILL NO. 3308

By: Weaver

AS INTRODUCED

An Act relating to the Uniform Consumer Credit Code; amending 14A O.S. 1991, Section 2-203, which relates to delinquency charges; modifying amount of delinquency charge on certain precomputed consumer credit sales, refinancing or consolidation; modifying delinquency charge and type of credit sales subject to delinquency charge for certain credit sales not precomputed; and providing an effective date.

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

SECTION 1. AMENDATORY 14A O.S. 1991, Section 2-203, is amended to read as follows:

Section 2-203. (1) With respect to a precomputed consumer credit sale, refinancing, or consolidation, the parties may contract for a delinquency charge on any installment not paid in full within ten (10) days after its scheduled due date in an amount not ~~exceeding~~ less than Five Dollars (\$5.00) nor more than any of the following, whichever is greater of:

- (a) ~~an amount, not exceeding Five Dollars (\$5.00), which is five percent (5%) of the unpaid amount of the installment,~~ ~~or~~

(b) the dollar amount provided by rule of the Administrator for this section pursuant to Section 1-106 of this title, or

(c) the deferral charge + provided in subsection (1) of Section 2-204) of this title, that would be permitted to defer the unpaid amount of the installment for the period that it is delinquent.

(2) A delinquency charge under paragraph (a) of subsection (1) of this section may be collected only once on an installment however long it remains in default. No delinquency charge may be collected if the installment has been deferred and a deferral charge ~~+ pursuant to Section 2-204) of this title~~ has been paid or incurred. A delinquency charge may be collected at the time it accrues or at any time thereafter.

(3) No delinquency charge may be collected on an installment which is paid in full within ten (10) days after its scheduled installment due date even though an earlier maturing installment or a delinquency charge on an earlier installment may not have been paid in full. For purposes of this subsection payments are applied first to current installments and then to delinquent installments.

(4) ~~The parties~~ With respect to a consumer credit sale, refinancing, or consolidation, which is not precomputed, including a revolving charge account accessed by a ~~seller~~ lender credit card or similar arrangement, the parties may contract for a delinquency charge ~~with respect to a payment due in connection with a billing cycle, to be payable if the payment is on any installment not made~~ paid in full within ten (10) days after its scheduled due date. ~~The delinquency charge may~~ in an amount not exceed less than Five Dollars (\$5.00) nor more than the greater of five percent (5%) of the unpaid amount of the payment or the dollar amount provided by the rule of the Administrator in effect for this section pursuant to Section 1-106 of this title. No more than one delinquency charge

may be imposed in each billing cycle and it may be collected at any time after it accrues either independently of any payment made on the account or from a payment made if the seller discloses delinquency charges to the buyer as they are imposed and informs the buyer of the full amount that the buyer must pay for the applicable period in order to remain current on the account.

SECTION 2. This act shall become effective November 1, 1998.

46-2-9356

JAF