

SHORT TITLE: Debtors and creditors; prohibiting creditor from contracting with out-of-state third party billing service unless certain conditions are met; codification; effective date.

STATE OF OKLAHOMA

1st Session of the 46th Legislature (1997)

SENATE BILL NO. 446

By: Herbert

AS INTRODUCED

An Act relating to debtors and creditors; prohibiting creditor from contracting with out-of-state third party billing service for certain purpose unless corporate office which meets certain conditions is maintained within state; stating conditions; defining term; providing penalty; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 95 of Title 24, unless there is created a duplication in numbering, reads as follows:

A. No creditor located within this state may contract with an out-of-state third party billing service to bill for and collect a debt incurred in this state unless the third party billing service maintains a corporate office in this state which:

1. Maintains records of accounts receivable involving debt incurred in this state from which charges of the creditor and payments of the debtor may be verified;
2. Has the authority to reimburse a debtor who incurred debt in this state for excessive or erroneous payments; and
3. Is open during normal business hours of the work week.

B. As used in this section, "third party billing service" means an entity which manages accounts receivable for a creditor and is not a subsidiary of the creditor.

C. Any creditor found to be in violation of this section, upon conviction, shall be guilty of a misdemeanor punishable by a fine of up to One Hundred Dollars (\$100.00) for each account receivable that involves debt incurred in this state and is managed by a third party billing service for the creditor.

SECTION 2. This act shall become effective November 1, 1997.

46-1-0035            JY