

An Act relating to consumer credit; amending 14A O.S. 1991, Section 1-301, which relates to definitions; adding definitions; amending 14A O.S. 1991, Section 1-303, which relates to index of definitions; adding index to definitions; amending 14A O.S. 1991, Section 2-313, which relates to advertising; adding certain advertisement requirements for a consumer lease; prohibiting certain liability; setting forth certain advertising requirements for radio broadcasts; amending 14A O.S. 1991, Section 3-109, which relates to the definition of loan finance charge; modifying exceptions to certain definition; amending 14A O.S. 1991, Section 3-202, as amended by Section 3, Chapter 352, O.S.L. 1998 (14A O.S. Supp. 1999, Section 3-202), which relates to additional charges; modifying additional charges which a lender may contract for and receive; amending 14A O.S. 1991, Section 3-203, as amended by Section 1, Chapter 50, O.S.L. 1997 (14A O.S. Supp. 1999, Section 3-203), which relates to delinquency charges; excluding certain accounts which parties may contract for delinquency charges; amending Section 4, Chapter 352, O.S.L. 1998 (14A O.S. Supp. 1999, Section 3-203.2), which relates to additional charges relating to revolving loan credit card accounts; permitting lender to contract for and receive certain charges; deleting certain limitation on amount of delinquency charges, over-limit charges, and return item charges; amending 14A O.S. 1991, Section 3-302, which relates to disclosure requirements; setting forth information deemed to be accurate for purposes of certain disclosure; amending 14A O.S. 1991, Section 3-304, which relates to calculation of rate to be disclosed; setting forth treatment of the disclosure of finance charge and other disclosures affected by any finance charge; amending 14A O.S. 1991, Section 3-306, which relates to consumer loans not pursuant to a revolving loan account; requiring lender to give debtor information regarding certain payments involving variable interest rate residential mortgages; amending 14A O.S. 1991, Section 3-309.3, which relates to index or rate of interest on revolving loan account plan subject to variable rate; exempting reverse mortgage transactions from certain index or rate of interest; requiring certain disclosures by creditor on certain mortgages; requiring disclosures to be given within certain time frame; prohibiting certain terms regarding the payment of a prepayment penalty; requiring certain computation to be considered a prepayment penalty under certain circumstances; permitting certain prepayment penalty for certain mortgages under certain circumstances; prohibiting certain mortgages from providing for interest rate after default; prohibiting certain mortgages from including certain terms; prohibiting creditors from engaging in certain credit practices or making certain payments and providing exceptions; stating that certain mortgages shall be deemed a failure to deliver; defining term; setting forth certain duties and powers of the Administrator of the Department of Consumer Credit; requiring creditor to disclose certain estimate of reverse mortgage costs; requiring creditor to include certain items in determining certain projected costs; amending 14A O.S. 1991, Section 3-502, which relates to authority to make supervised loans; permitting Administrator to initiate administrative action against unlicensed persons; amending 14A O.S. 1991, Section 3-503, which relates to application for license; modifying investigation fee; permitting Administrator to conduct certain criminal history check; amending 14A O.S. 1991, Section 3-504, as amended by Section 5, Chapter 288, O.S.L. 1997 (14A O.S. Supp. 1999, Section 3-504), which relates to issuance or denial of license to make supervised loans; modifying time period to grant or deny license application; permitting independent hearing examiner to extend certain time period; setting forth certain late fee and duplicate or amended license fee; deleting obsolete language; amending 14A O.S. 1991, Section 3-505, which relates to revocation, suspension, surrender, and reinstatement of licenses; permitting independent hearing examiner to take certain action upon certain findings; modifying findings for which action may be taken against licensee; requiring licensee to notify Administrator of certain convictions or pleas; amending 14A O.S. 1991, Section 3-506, as last amended by Section 9, Chapter 329, O.S.L. 1993 (14A O.S. Supp. 1999, Section 3-506), which relates to examinations of licensees; authorizing Administrator to bill the licensee for certain fees and late charges; modifying maximum charges for each licensed office; deleting authority of Administrator to fix certain date; setting forth certain late fee for annual report received after certain date; modifying number of days for certain notice of hearing; stating that transcript of independent hearing officer shall be public record; assessing administrative service fee for returned checks; amending 14A O.S. 1991, Section 5-203, which relates to civil liability for violation of disclosure provisions; setting forth certain liability limits for certain open-ended credit plan and other compliance requirements; permitting certain action against assignee of credit under certain circumstances; stating that a servicer of a consumer obligation not be treated as certain assignee or owner of obligation; defining term; stating that certain provisions apply to certain transactions; requiring assignees to be subject to certain claims and defenses; providing exceptions; setting forth certain limits; providing for reduction of certain damages; requiring notice of liability for certain persons; amending 14A O.S. 1991, Section 5-204, which relates to the right to rescind certain transactions; stating that certain obligor shall have no rescission

rights under certain circumstances; permitting certain right of rescission for obligor under certain circumstances; prohibiting liability of creditor or assignee under certain closed-end consumer credit transactions; prohibiting extended rescission rights of consumer with respect to certain circumstances; setting forth certain exceptions; amending 14A O.S. 1991, Section 6-104, as last amended by Section 5, Chapter 352, O.S.L. 1998 (14A O.S. Supp. 1999, Section 6-104), which relates to powers and duties of the Administrator; modifying statutory reference regarding certain charges of lenders which may be limited by Administrator; deleting certain powers to conduct research and make studies; modifying statutory references subject to rules on limits on additional charges; deleting reference to certain credit card lenders; amending 14A O.S. 1991, Section 6-105, which relates to administrative enforcement powers; requiring disclosure of certain finance charge for purposes of determining certain disclosure error; setting forth treatment of certain finance charge; amending 14A O.S. 1991, Section 6-108, which relates to administrative enforcement orders; permitting independent hearing examiner to make certain order; permitting aggrieved respondent to obtain judicial review; clarifying reference to certain administrative hearing; permitting certain representative to obtain certain decree; prohibiting certain representative from issuing certain order; amending 14A O.S. 1991, Section 6-201, which relates to the applicability of notice and fees; modifying reference; amending 14A O.S. 1991, Section 6-504, which relates to the Commission on Consumer Credit; deleting authority of Commission on Consumer Credit to review, repeal, amend, or modify rule of the Administrator; providing for codification; providing an effective date; and declaring an emergency.