

STATE OF OKLAHOMA

1st Session of the 47th Legislature (1999)

HOUSE BILL NO. 1269

Ostrander

AS INTRODUCED

An Act relating to telephone solicitation; amending 14A O.S. 1991, Section 2-305 and Section 5, Chapter 235, O.S.L. 1994 (15 O.S. Supp. 1998, Section 775A.1), which relate to telephone solicitation; and clarifying language.

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

SECTION 1. AMENDATORY 14A O.S. 1991, Section 2-305 is amended to read as follows:

Section 2-305. (1) With respect to a consumer credit sale, other than a sale made pursuant to a revolving charge account, if the seller receives a purchase order or offer by mail or telephone without personal solicitation, the seller complies with this part if: (a) he makes the disclosures at the time and in the manner provided in the general disclosure requirements and provisions (Section 2-302); or (b) the seller's catalog or other printed material distributed to the public sets forth the cash price, the total sale price, and the terms of financing, including the annual percentage rate, and before the first payment is due on the sale, he gives the information required by this part including the notice prescribed in subsection (2) of this section.

(2) The notice shall be in writing and conspicuous and shall provide that if the buyer does not wish to make the purchase on credit, he, within fifteen (15) days after receiving the notice, may prepay the obligation as to that purchase for an amount stated or identified in the notice and avoid the payment of any credit service charge as to that purchase. A prepayment under this section is subject to the provisions of this act on prepayment, except that no

credit service charge shall be made if prepayment in full is made within the period specified in the notice. Payment by mail is effective when posted.

SECTION 2. AMENDATORY Section 5, Chapter 235, O.S.L. 1994, (15 O.S. Supp. 1998, Section 775A.1), is amended to read as follows:

Section 775A.1 The Legislature ~~hereby~~ finds, determines and declares that the use of telephones for commercial solicitation is rapidly increasing; that this form of communication offers unique benefits, but entails special risks and poses the potential for abuse; that the Legislature finds that the widespread practice of fraudulent and deceptive commercial telephone solicitation has caused substantial financial losses to thousands of consumers and, particularly, elderly, homebound and otherwise vulnerable consumers, and is a matter vitally affecting the public interest, ~~and~~ ~~therefore, that.~~ Therefore, the general welfare of the public and the protection of the integrity of the telemarketing industry requires statutory regulation of the commercial use of telephones.

47-1-5708 MCD 6/12/15