

STATE OF OKLAHOMA

2nd Session of the 50th Legislature (2006)

HOUSE BILL 2734

By: Brannon

AS INTRODUCED

An Act relating to contracts; creating the Bad Check Writer List Protection Act; defining terms; authorizing promulgation of rules and providing for administration; prohibiting certain acts; providing penalties; creating Bad Check Writer List Revolving Fund; specifying purpose and procedures for the Fund; 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 778.1 of Title 15, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Bad Check Writer List Protection Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 778.2 of Title 15, unless there is created a duplication in numbering, reads as follows:

As used in the Bad Check Writer List Protection Act:

1. "Person" means a natural person, corporation, trust, partnership, incorporated or unincorporated association, or any other legal entity;

2. "Consumer" means any natural person who is a resident of this state and shall not include any business association, partnership, firm, corporation, and its affiliates or subsidiaries, or other business entity;

3. "Bad check writer list" means a list of individuals who are alleged to be likely to pass one or more bogus checks, utter one or

more forged instruments, or for any other reason suggests that the check of the individual should not be accepted by a business; and

4. "Bad check writer list provider" means any person who provides a service that offers bad check writer lists for a fee.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 778.3 of Title 15, unless there is created a duplication in numbering, reads as follows:

The Attorney General may promulgate rules for the implementation, administration, and enforcement of the Bad Check Writer List Protection Act.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 778.4 of Title 15, unless there is created a duplication in numbering, reads as follows:

A. No person may provide a bad check writer list in this state without first verifying that the information contained in the bad check writer list is accurate.

B. Violation of subsection A of this section shall be an unlawful bad check writer list practice and a violation of the Oklahoma Consumer Protection Act.

C. In lieu of bringing an action under the Oklahoma Consumer Protection Act, the Attorney General, in cases where the bad check writer list provider is able to demonstrate that the violation occurred notwithstanding policies of the bad check writer list provider, may assess an administrative fine. The Attorney General shall promulgate rules establishing a schedule of increasing fines to be assessed pursuant to this subsection for multiple and repeated violations.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 778.5 of Title 15, unless there is created a duplication in numbering, reads as follows:

There is hereby created in the State Treasury a revolving fund for the Office of the Attorney General, to be designated the "Bad

Check Writer List Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received pursuant to the provisions of the Bad Check Writer List Protection Act. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Attorney General for the purpose of implementing, administering, or enforcing the provisions of the Bad Check Writer List Protection Act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

SECTION 6. This act shall become effective November 1, 2006.

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