

1 ENGROSSED HOUSE
2 BILL NO. 3278

By: Duncan, Coody, Ingmire,
Jackson, McCullough,
Peterson (Ron), Roan and
Tibbs of the House

4 and

5 Burrage of the Senate

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8 An Act relating to contracts; defining term; limiting
9 scope of a debt cancellation agreement; providing for
10 codification; and providing an effective date.

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

13 SECTION 1. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 140.1 of Title 15, unless there
15 is created a duplication in numbering, reads as follows:

16 A. A "debt cancellation agreement" means a loan term or
17 contractual arrangement modifying loan or retail installment
18 contract terms under which a lender or other creditor agrees to
19 cancel all or part of an obligation of the borrower to repay an
20 extension of credit from the lender or other creditor upon the
21 occurrence of a specified event. The agreement may be separate from
22 or a part of other loan or retail installment contract documents.

23 B. A debt cancellation agreement shall not be considered a
24 contract of, or for, insurance if it is not a contract whereby one

1 undertakes to indemnify another or to pay a specified amount upon
2 determinable contingencies.

3 SECTION 2. This act shall become effective November 1, 2008.

4 Passed the House of Representatives the 14th day of February,
5 2008.

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Presiding Officer of the House of
Representatives

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10 Passed the Senate the ____ day of _____, 2008.

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Presiding Officer of the Senate

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