

ENROLLED HOUSE
BILL NO. 3278

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

and

Burrage and Lamb of the
Senate

An Act relating to contracts; defining term; limiting scope of a debt cancellation agreement; 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 140.1 of Title 15, unless there is created a duplication in numbering, reads as follows:

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

B. A debt cancellation agreement shall not be considered a contract of, or for, insurance if it is not a contract whereby one undertakes to indemnify another or to pay a specified amount upon determinable contingencies.

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

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

Presiding Officer of the House of
Representatives

Passed the Senate the 8th day of April, 2008.

Presiding Officer of the Senate