

THE HOUSE OF REPRESENTATIVES
Monday, February 11, 2008

Committee Substitute for
House Bill No. 3278

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 3278 - By: DUNCAN, COODY, INGMIRE, JACKSON, McCULLOUGH, PETERSON (Ron), ROAN and TIBBS of the House and BURRAGE 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:

1 SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma
2 Statutes as Section 140.1 of Title 15, unless there is created a duplication in numbering,
3 reads as follows:
4 A. A “debt cancellation agreement” means a loan term or contractual arrangement
5 modifying loan or retail installment contract terms under which a lender or other
6 creditor agrees to cancel all or part of an obligation of the borrower to repay an extension
7 of credit from the lender or other creditor upon the occurrence of a specified event. The
8 agreement may be separate from or a part of other loan or retail installment contract
9 documents.

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

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

5 COMMITTEE REPORT BY: COMMITTEE ON ECONOMIC DEVELOPMENT AND
6 FINANCIAL SERVICES, dated 02-07-08 - DO PASS, As Amended and Coauthored.