

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 HOUSE BILL 2594

By: Luttrell

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5
6 AS INTRODUCED

7 An Act relating to banks and trust companies;
8 requiring lenders to pay interest on escrow accounts
9 to borrowers; providing for calculation of interest;
10 specifying scope of application; providing for
11 codification; and providing an effective date.

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

14 SECTION 1. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 810 of Title 6, unless there is
16 created a duplication in numbering, reads as follows:

17 A. Each mortgagee holding funds of a mortgagor in a required
18 escrow account for the payment of taxes or insurance premiums with
19 respect to mortgaged property located in this state shall pay the
20 mortgagor, at least quarterly, dividends or interest on the account
21 at a rate of not less than fifty percent (50%) of the one-year
22 Treasury Note rate or rate of a comparable instrument if the one-
23 year Treasury Note is not offered, as published in a financial
24 newspaper of national circulation, as of the first business day of

1 the year in which the quarterly interest or dividend is paid. The
2 dividends or interest paid pursuant to this subsection shall not be
3 reduced by any charge for service or maintenance of the account.

4 B. The interest shall be computed on the daily balances in the
5 account from the date of receipt to the date of disbursement and
6 shall be credited to the account as of the last business day of each
7 quarter of a calendar or fiscal year. If the account is closed or
8 discontinued before the last business day of a quarter of a calendar
9 or fiscal year, interest shall be computed and credited as of the
10 day the account is closed or discontinued. For the purposes of
11 calculating interest pursuant to subsection A of this section, the
12 mortgagee may take into account debit balances resulting from
13 advances and may elect to compute interest on the basis of the
14 actual number of days in each quarter and year, or on the basis of a
15 thirty-day month and a three-hundred-sixty-day year. At least once
16 a year, the mortgagee shall give the mortgagor a statement showing
17 the interest credited on the escrow account during the period that
18 the statement covers.

19 C. The section does not apply to mortgage transactions under
20 which the payment of interest on escrow accounts is prohibited by
21 federal law.

22 D. The requirements of this section shall apply to any funds in
23 an escrow account on November 1, 2008, and to any funds deposited in
24 an escrow account after that date.

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

51-2-8301 SDR 01/10/08