

SUBCOMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2831 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: _____

Amendment submitted by: Ron Peters

Reading Clerk

1 STATE OF OKLAHOMA

2 2nd Session of the 52nd Legislature (2010)

3 PROPOSED SUBCOMMITTEE
4 SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 2831

By: Peters

7 PROPOSED SUBCOMMITTEE SUBSTITUTE

8 An Act relating to the Department of Consumer Credit;
9 amending 14A O.S. 2001, Sections 3-503, as amended by
10 Section 2, Chapter 431, O.S.L. 2009, 3-504, 3-505, 3-
11 506, 6-203 and 6-501 (14A O.S. Supp. 2009, Section 3-
12 503), which relate to the Uniform Consumer Credit
13 Code; removing specified fees from statute;
14 authorizing establishment of fees by rule by the
15 Commission on Consumer Credit; modifying the
16 authority of the Administrator of Consumer Credit;
17 providing for civil penalties; providing for
18 enforcement of civil penalties; defining term; giving
19 the Administrator discretion to determine when to
20 require payment of examination fee; providing for
21 distribution of revenue from fees and civil
22 penalties; creating the Consumer Credit Advisory
23 Committee; providing for composition and terms of
24 office; requiring filing of appointments with the
Administrator; making appointments public record;
providing duties of Committee; providing for
meetings; making meetings subject to the Oklahoma
Open Meeting Act; providing for travel reimbursement;
amending 24 O.S. 2001, Sections 143, 144, 145 and
146, which relate to the Credit Services Organization
Act; removing specified fees from statute;
authorizing fee for license change, duplicate
licenses, and returned checks; authorizing fee for
late license renewals; modifying powers of the
Administrator; authorizing certain acts by
independent hearing examiner; giving Administrator
discretion to determine when to require payment of
examination fee; authorizing the Commission on
Consumer Credit to establish fees by rule; providing
for civil penalties for certain violation; providing
for enforcement of civil penalties; providing for

1 distribution of revenue from fees and civil
2 penalties; amending 59 O.S. 2001, Sections 1505 and
3 1506, as amended by Sections 3 and 4, Chapter 431,
4 O.S.L. 2009, 1507 and 1508 (59 O.S. Supp. 2009,
5 Sections 1505 and 1506), which relate to the Oklahoma
6 Pawnshop Act; removing specified fees from statute;
7 authorizing fee for license change, duplicate
8 licenses, and returned checks; authorizing fee for
9 late license renewals; modifying powers of the
10 Administrator; authorizing certain acts by
11 independent hearing examiner; giving Administrator
12 discretion to determine when to require payment of
13 examination fee; authorizing the Commission on
14 Consumer Credit to establish fees by rule; providing
15 for civil penalties; providing for enforcement of
16 civil penalties; providing for distribution of
17 revenue from fees and civil penalties; amending 59
18 O.S. 2001, Sections 1525, as amended by Section 5,
19 Chapter 431, O.S.L. 2009, 1526, as amended by Section
20 6, Chapter 431, O.S.L. 2009 and 1528 (59 O.S. Supp.
21 2009, Sections 1525 and 1526), which relate to the
22 Precious Metal and Gem Dealer Licensing Act; removing
23 specified fees from statute; authorizing fee for
24 license change, duplicate licenses, and returned
checks; authorizing fee for late license renewals;
modifying powers of the Administrator; authorizing
certain acts by independent hearing examiner; giving
Administrator discretion to determine when to require
payment of examination fee; authorizing the
Commission on Consumer Credit to establish fees by
rule; providing for civil penalties; providing for
enforcement of civil penalties; providing for
distribution of revenue from fees and civil
penalties; amending 59 O.S. 2001, Sections 1953 and
1955, which relate to the Oklahoma Rental-Purchase
Act; removing specified fees from statute;
authorizing fee for license change, duplicate
licenses, and returned checks; authorizing fee for
initial investigation and license fee; requiring
payment of rental-purchase agreement review fee;
providing for rules, fee and review and approval
process; providing for examination fee; modifying
powers of the Administrator; authorizing certain acts
by independent hearing examiner; giving Administrator
discretion to determine when to require payment of
examination fee; authorizing the Commission on
Consumer Credit to establish fees by rule; providing

1 for civil penalties; providing for enforcement of
2 civil penalties; providing for distribution of
3 revenue from fees and civil penalties; amending 59
4 O.S. 2001, Sections 2002, 2009 and 2011, which relate
5 to the Oklahoma Health Spa Act; removing specified
6 fees from statute; authorizing fee for investigation,
7 registration change, duplicate registration, and
8 returned checks; authorizing fee for late
9 registration renewals; providing for contract
10 reviewal; providing for reviewal fee and review and
11 approval process; authorizing certain acts by the
12 Administrator or independent hearing examiner;
13 authorizing the Commission on Consumer Credit to
14 establish fees by rule; providing for civil
15 penalties; providing for enforcement of civil
16 penalties; providing for distribution of revenue from
17 fees and civil penalties; amending Sections 6, 8, 9,
18 10, 19, 20 and 26, Chapter 190, O.S.L. 2009 (59 O.S.
19 Supp. 2009, Sections 2095.3, 2095.5, 2095.6, 2095.7,
20 2095.16, 2095.17 and 2095.23), which relate to the
21 Oklahoma Secure and Fair Enforcement for Mortgage
22 Licensing Act; modifying exemptions; modifying
23 registration and identifier requirements; removing
24 specified fees from statute; authorizing application
fee; modifying findings required for issuance of a
mortgage loan originator license; modifying
requirements for financial institution in trust
accounts may be located; authorizing the Commission
on Consumer Credit to establish fees by rule;
providing for enforcement of civil penalties;
amending Sections 13 and 17, Chapter 240, O.S.L. 2003
(59 O.S. Supp. 2009, Sections 3113 and 3117), which
relate to the Deferred Deposit Lending Act; removing
specified fees from statute; authorizing the
Commission on Consumer Credit to establish fees by
rule; authorizing fees for license change, duplicate
license or returned check; authorizing late fee;
authorizing certain actions by independent hearing
examiner; providing for enforcement of civil
penalties; repealing 59 O.S. 2001, Section 1956,
which relates to deposit of certain fees derived
pursuant to the Oklahoma Rental-Purchase Act;
providing for codification; providing an effective
date; and declaring an emergency.

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

2 SECTION 1. AMENDATORY 14A O.S. 2001, Section 3-503, as
3 amended by Section 2, Chapter 431, O.S.L. 2009 (14A O.S. Supp. 2009,
4 Section 3-503), is amended to read as follows:

5 Section 3-503. (1) Application for a license shall be under
6 oath, shall give the approximate location from which the business is
7 to be conducted, and shall contain such relevant information as the
8 Administrator of Consumer Credit may require. When making
9 application for one or more licenses, the applicant shall pay ~~Two~~
10 ~~Hundred Twenty five Dollars (\$225.00)~~ to the Administrator as an
11 investigation fee and ~~One Hundred Ninety Dollars (\$190.00)~~ for each
12 ~~license as the annual fee provided in this part for the current~~
13 ~~calendar year, provided if a license is granted after June 30, in~~
14 ~~any year, such fee shall be Ninety five Dollars (\$95.00) for that~~
15 ~~year~~ an annual license fee.

16 (2) Every licensee shall maintain on file with the
17 Administrator a written appointment of a resident of this state as
18 the agent for service of all judicial or other process or legal
19 notice, unless the licensee has appointed an agent under another
20 statute of this state. In case of noncompliance, such service may
21 be made on the Administrator.

22 (3) Every applicant shall, also, at the time of filing such
23 application, file with the Administrator, if required, a bond
24 satisfactory to the Administrator and in an amount not to exceed

1 Five Thousand Dollars (\$5,000.00) for the first license and One
2 Thousand Dollars (\$1,000.00) for each additional license with a
3 surety company qualified to do business in this state as surety,
4 whose total liability in the aggregate shall not exceed the amount
5 of such bond so fixed. The bond shall run to the state for the use
6 of the state and of any person or persons who may have cause of
7 action against the obligor of the bond under the provisions of this
8 title. Such bond shall be conditional that the obligor will
9 faithfully conform to and abide by the provisions of this title and
10 to all rules lawfully made by the Administrator hereunder and will
11 pay to the state and to any such person or persons any and all
12 amounts of money that may become due or owing to the state or to
13 such person or persons from such obligor under and by virtue of the
14 provisions of this title during the calendar year for which the bond
15 is given.

16 (4) As part of the investigation, the Administrator may conduct
17 a national criminal history check pursuant to subsection B of
18 Section 150.9 of Title 74 of the Oklahoma Statutes. The applicant
19 shall furnish to the Administrator, upon request by the
20 Administrator, a complete set of the applicant's fingerprints that
21 shall be certified by an authorized law enforcement officer.

22 ~~(5) Of the license fee provided for in subsection (1) of this~~
23 ~~section, One Hundred Fifty Dollars (\$150.00) shall be deposited in~~
24 ~~the General Revenue Fund of the State Treasury and Forty Dollars~~

1 ~~(\$40.00) shall be deposited in the Consumer Credit Administrative~~
2 ~~Expenses Revolving Fund created in Section 1 of this act.~~

3 ~~(6) Of the half year license fees provided for in subsection~~
4 ~~(1) of this section, Seventy five Dollars (\$75.00) shall be~~
5 ~~deposited in the General Revenue Fund of the State Treasury and~~
6 ~~Twenty Dollars (\$20.00) shall be deposited in the Consumer Credit~~
7 ~~Administrative Expenses Revolving Fund created in Section 1 of this~~
8 ~~act.~~

9 SECTION 2. AMENDATORY 14A O.S. 2001, Section 3-504, is
10 amended to read as follows:

11 Section 3-504. (1) On filing such application, bond, and
12 payment of the required fees, the Administrator of Consumer Credit
13 shall investigate the facts and if the Administrator shall find the
14 financial responsibility, experience, character and general fitness
15 of the applicant are such as to command the confidence of the public
16 and to warrant belief the business will be operated lawfully and
17 fairly, within the purposes of this title, and the applicant has
18 available for the operation of such business net assets of at least
19 Twenty-five Thousand Dollars (\$25,000.00), the Administrator shall
20 grant such application and issue to the applicant a license which
21 shall be the applicant's license and authority to make supervised
22 loans under the provisions of this title.

23 (2) If the Administrator shall not so find, the Administrator
24 shall notify the applicant, who shall, on request within thirty (30)

1 days be entitled to a hearing on such application within sixty (60)
2 days after the date of the request. The investigation fee shall be
3 retained by the Administrator, but the annual fee shall be returned
4 to the applicant in the event of denial.

5 (3) Each application for a license shall be granted or denied
6 within ninety (90) days from its filing with the required fees, or,
7 from the hearing thereon, if any, unless the period is extended by
8 written agreement between the applicant and the Administrator or the
9 independent hearing examiner.

10 (4) Each license shall state the address of the office from
11 which the business is to be conducted and the name of the licensee.
12 The license shall be displayed at the place of business named in the
13 license. The license shall not be transferable or assignable except
14 upon approval by the Administrator.

15 (5) Each license shall remain in full force and effect until
16 relinquished, suspended, revoked or expired. Every licensee shall,
17 on or before each December 1, pay to the Administrator ~~One Hundred~~
18 ~~Fifty Dollars (\$150.00)~~ a fee for each license held by the licensee,
19 as the annual fee for the succeeding calendar year. If the annual
20 fee remains unpaid fifteen (15) days after written notice of
21 delinquency has been given to the licensee by the Administrator, the
22 license shall thereupon expire but not before December 31 of any
23 year for which an annual fee has been paid. There shall be a late
24 fee ~~of Fifty Dollars (\$50.00)~~ for a late application for renewal of

1 a license received after December 1. The fee for a duplicate or
2 amended license shall be ~~Twenty five Dollars (\$25.00)~~ prescribed by
3 rule of the Commission on Consumer Credit.

4 (6) Every licensee shall maintain net assets of at least
5 Twenty-five Thousand Dollars (\$25,000.00), either used or readily
6 available for use, in the conduct of the business of each licensed
7 office.

8 (7) A separate license shall be required for each office
9 operated under this title. The Administrator may issue more than
10 one license to any one person upon compliance with this part as to
11 each license. Nothing contained herein, however, shall be construed
12 to require a license for any place of business devoted to accounting
13 or other record keeping and where supervised loans are not made.

14 (8) When a licensee wishes to move an office to another
15 location, the licensee shall give thirty (30) days' written notice
16 to the Administrator, who shall amend the license accordingly.

17 (9) For purposes of this section, the term "office" shall mean
18 a location occupied by a licensee with the following
19 characteristics:

20 (a) a manager for the office who is not common to any
21 other supervised lender's office,

22 (b) a street and mailing address separate from any other
23 supervised lender's office,

24

1 (c) an entrance through which the public may access only
2 one supervised lender's office,

3 (d) separation from any other supervised lender's office
4 by walls or otherwise and through which neither
5 employees nor the public may pass, and

6 (e) any other characteristics required pursuant to rule
7 adopted by the Administrator.

8 (10) Any person holding a license under this title who shall
9 violate any provision hereof shall be subject to forfeiture of each
10 license held by the licensee and if a corporation, its charter shall
11 be subject to forfeiture, and it shall be the duty of the Attorney
12 General, when any such violation is called to the Attorney General's
13 attention, to file suit for such forfeiture of charter and
14 cancellation of the license in a district court in Oklahoma County.

15 SECTION 3. AMENDATORY 14A O.S. 2001, Section 3-505, is
16 amended to read as follows:

17 Section 3-505. (1) The Administrator of Consumer Credit or the
18 independent hearing examiner may, after notice and hearing, censure,
19 probate, suspend, revoke or refuse to renew any license, or in
20 addition to or in lieu of censure, probation, suspension or
21 revocation, order refunds for excessive or unlawful charges or enter
22 a cease and desist order if the Administrator or the independent
23 hearing examiner finds that:

1 (a) The licensee has failed to pay the annual license fee
2 imposed by this title, or an examination fee,
3 investigation fee or other fee or charge imposed by
4 the Administrator under the authority of this title,

5 (b) The licensee or any entity or individual subject to
6 the authority of this title, either knowingly or
7 without the exercise of due care to prevent the same,
8 has violated any provision of this title or any
9 regulation or order lawfully made pursuant to and
10 within the authority of this title, or

11 (c) Any fact or condition exists which, if it had existed
12 or had been known to exist at the time of the original
13 application for such license, clearly would have
14 justified the Administrator or the independent hearing
15 examiner in refusing to issue such license, ~~or~~

16 ~~(d) The licensee acting as a mortgage broker as defined in~~
17 ~~the Mortgage Broker Licensure Act has violated the~~
18 ~~Mortgage Broker Licensure Act.~~

19 (2) The hearing shall be held upon not less than twenty (20)
20 days' notice in writing setting forth the time and place thereof and
21 a concise statement of the facts alleged to sustain the
22 administrative action, and its effective date shall be set forth in
23 a written order accompanied by finding of fact and a copy thereof
24 shall be forthwith delivered to the licensee. Such order, finding,

1 and the evidence considered by the Administrator or the independent
2 hearing examiner shall be filed with the public records of the
3 Administrator.

4 (3) Any licensee may surrender any license by delivering it to
5 the Administrator with written notice of its surrender, but such
6 surrender shall not affect the administrative, civil or criminal
7 liability for acts committed prior thereto.

8 (4) No revocation, suspension, or surrender of any license
9 shall impair or affect the obligation of any preexisting lawful
10 contract between the licensee and any borrower.

11 (5) The Administrator or the independent hearing examiner may
12 reinstate suspended licenses or issue new licenses to a person whose
13 license or licenses have been revoked if no fact or condition then
14 exists which clearly would have justified the Administrator or the
15 independent hearing examiner in refusing originally to issue such
16 license under this part.

17 (6) Every licensee shall notify the Administrator of the
18 conviction of or plea of guilty or nolo contendere to any felony
19 within thirty (30) days after the plea is taken and also within
20 thirty (30) days of the entering of an order of judgment and
21 sentencing and shall notify the Administrator of any administrative
22 action resulting in revocation, suspension, or amendment of a
23 license taken against the licensee in another state within thirty
24 (30) days of the entering of the administrative order in that state.

1 (7) Any entity or individual offering to engage or engaged in
2 making consumer credit sales, consumer leases, consumer loans or
3 supervised loans in this state without a license or notification
4 filing required by this title shall be subject to a civil penalty
5 not to exceed Five Thousand Dollars (\$5,000.00).

6 (8) The Administrator or an independent hearing examiner may
7 impose a civil penalty as prescribed in subsection 7 of this
8 section, after notice and hearing in accordance with Article II of
9 the Administrative Procedures Act. Any administrative order or
10 settlement agreement imposing a civil penalty pursuant to this
11 section may be enforced in the same manner as civil judgments in
12 this state. The Administrator may file an application to enforce an
13 administrative order or settlement agreement imposing a civil
14 penalty in the district court of Oklahoma County.

15 (9) The term "licensee" or "license", as used in this section,
16 includes any entity or individual that has filed or is required to
17 file notification with the Administrator pursuant to the provisions
18 of Sections 6-201 through 6-203 of this title.

19 SECTION 4. AMENDATORY 14A O.S. 2001, Section 3-506, is
20 amended to read as follows:

21 Section 3-506. (1) At such times as the Administrator of
22 Consumer Credit shall deem necessary, the Administrator or a duly
23 authorized representative shall make an examination of the place or
24 places of business of each licensee and shall inquire into and

1 examine the loans, transactions, books, accounts, papers,
2 correspondence, and records of such licensee insofar as they pertain
3 to the business regulated by this title. In the course of such
4 examination, the Administrator or the duly authorized representative
5 shall have free access to the office, place of business, files,
6 safes and vaults of such licensee, and shall have the right to make
7 copies of such books, accounts, papers, correspondence and records.
8 The Administrator or the duly authorized representative may, during
9 the course of such examination, administer oaths and examine any
10 person under oath upon any subject pertinent to any matter about
11 which the Administrator is authorized or required by this title to
12 consider, investigate, or secure information. Any licensee who
13 shall fail or refuse to let the Administrator or the duly authorized
14 representative examine or make copies of such books, or other
15 relevant documents shall thereby be deemed in violation of this
16 title and such failure or refusal shall constitute grounds for the
17 administrative action against such license. The information
18 obtained in the course of such examination shall be confidential.
19 Each licensee shall pay to the Administrator an ~~amount assessed by~~
20 ~~the Administrator to cover the direct and indirect cost of such~~
21 ~~examination and a proportionate share of general administrative~~
22 ~~expense, not to exceed Three Hundred Dollars (\$300.00); provided,~~
23 ~~however, that for any examination which lasts in excess of eight (8)-~~
24 ~~hours, the Administrator shall charge an additional fee of Fifty~~

1 ~~Dollars (\$50.00) per hour for each examiner required to complete~~
2 ~~such an examination; provided, further, that the Administrator may~~
3 ~~waive the examination fee for any examination which takes one (1)~~
4 ~~hour or less. If an examination fee is due and is not paid upon~~
5 ~~completion of an examination, the Administrator shall bill the~~
6 ~~licensee, and there shall be a late fee of Fifty Dollars (\$50.00) if~~
7 ~~the amount due is not received within thirty (30) days of the~~
8 ~~invoice date. No licensee shall be assessed and charged a total fee~~
9 ~~in excess of Six Hundred Fifty Dollars (\$650.00) for each licensed~~
10 ~~office in any one (1) calendar year examination fee. The~~
11 ~~Administrator may require payment of an examination fee either at~~
12 ~~the time of initial application, renewal of the license, or after an~~
13 ~~examination has been conducted.~~

14 (2) For the purpose of discovering violations of this title or
15 of securing information required hereunder, the Administrator or a
16 duly authorized representative may investigate the books, accounts,
17 papers, correspondence and records of any licensee or other person
18 whom the Administrator has reasonable cause to believe is violating
19 any provision of this title whether or not such person shall claim
20 to be within the authority or scope of this part. For the purpose
21 of this part, any person who advertises for, solicits or otherwise
22 communicates a willingness to make loans on which the loan finance
23 charge exceeds ten percent (10%) per year as determined according to
24 the provisions on loan finance charges for consumer loans, Section

1 3-201 of this title, shall be presumed to be engaged in the business
2 of making supervised loans.

3 (3) Each licensee shall keep or make available in this state
4 such books and records relating to loans made under this title as
5 are necessary to enable the Administrator to determine whether the
6 licensee is complying with this title. Such books and records shall
7 be consistent with accepted accounting practices.

8 (4) Each licensee shall preserve or make available such books
9 and records in this state relating to each of its loans for four (4)
10 years from the date of the loan, or two (2) years from the date of
11 the final entry made thereon, whichever is later. Each licensee's
12 system of records shall be accepted if it discloses such information
13 as may be reasonably required under this title. All obligations
14 signed by borrowers shall be kept at an office in this state
15 designated by the licensee, except when transferred under an
16 agreement which gives the Administrator access thereto.

17 (5) Each licensee shall, annually on or before the first day of
18 May, file a report with the Administrator setting forth such
19 relevant information as the Administrator may reasonably require
20 concerning the business and operations during the preceding calendar
21 year for each licensed place of business conducted by such licensee
22 with the state. Such report shall be made under oath and shall be
23 in the form prescribed by the Administrator, who shall make and
24 publish annually a consolidated analysis and recapitulation of such

1 reports, but the individual reports shall be held confidential.

2 There shall be a late fee of ~~Twenty five Dollars (\$25.00)~~ for any
3 annual report received after May 1.

4 (6) The Administrator may promulgate rules necessary for the
5 enforcement of this title and consistent with all of its provisions.
6 Before adopting a rule the Administrator shall give every licensee
7 at least twenty (20) days' written notice of a public hearing,
8 stating the time and place thereof and the terms or substance of the
9 proposed rule. At the hearing, any licensee or other person may be
10 heard and introduce evidence, data, or arguments or place the same
11 on file. The Administrator shall adopt and promulgate every rule in
12 written form stating the date of adoption and the date of
13 promulgation. A copy of every rule shall be mailed to each licensee
14 prior to the effective date.

15 (7) On application of any person and payment of the costs
16 therefor, the Administrator shall furnish under the Administrator's
17 seal and signed by the Administrator or an assistant, a certificate
18 of good standing or a certified copy of any license, rule or order.

19 (8) Any transcript of any hearing held by the Administrator or
20 the independent hearing examiner under this title shall be a public
21 record and open to inspection at all reasonable times.

22 (9) Upon failure without lawful excuse to obey a subpoena or to
23 give testimony and upon reasonable notice to all persons affected
24 thereby, the Administrator or a representative may apply to a court

1 for an order compelling compliance, as provided by the
2 Administrative Procedures Act.

3 (10) There shall be assessed, in addition to any other
4 penalties provided for by law, an administrative service fee of
5 ~~Twenty five Dollars (\$25.00)~~ for each check returned to the
6 Department of Consumer Credit or any agent thereof by reason of the
7 refusal of the bank upon which such check was drawn to honor the
8 same. However, the fee provided in this subsection shall not be
9 assessed for any check returned because of "insufficient funds"
10 unless the check has been presented to the bank two times and
11 payment declined by the bank.

12 SECTION 5. AMENDATORY 14A O.S. 2001, Section 6-203, is
13 amended to read as follows:

14 Section 6-203. (1) Any person required to file notification
15 pursuant to the provisions of Section 6-201 of this title, on or
16 before January 31 of each year, shall pay to the Administrator of
17 Consumer Credit an annual fee of ~~Twenty Dollars (\$20.00)~~ for that
18 year for each business location. A late fee shall be charged for
19 any notification filed after January 31.

20 (2) Persons required to file notification pursuant to the
21 provisions of Section 6-201 of this title who are sellers, lessors,
22 or lenders shall pay an additional fee, at the time and in the
23 manner stated in subsection (1) of this section, of ~~Ten Dollars~~
24 ~~(\$10.00)~~ for each One Hundred Thousand Dollars (\$100,000.00), or

1 part thereof, in excess of One Hundred Thousand Dollars
2 (\$100,000.00) of the original unpaid balances arising from consumer
3 credit sales, consumer leases, and consumer loans made in this state
4 within the preceding calendar year and held either by the seller,
5 lessor, or lender for more than thirty (30) days after the inception
6 of the sale, lease, or loan giving rise to the obligations, or held
7 by an assignee who has not filed notification. A refinancing of a
8 sale, lease, or loan resulting in an increase in the amount of an
9 obligation is considered a new sale, lease, or loan to the extent of
10 the amount of the increase.

11 (3) Persons required to file notification pursuant to the
12 provisions of Section 6-201 of this title who are assignees shall
13 pay an additional fee, at the time and in the manner stated in
14 subsection (1) of this section, ~~of Ten Dollars (\$10.00)~~ for each One
15 Hundred Thousand Dollars (\$100,000.00), or part thereof, of the
16 unpaid balances at the time of the assignment of obligations arising
17 from consumer credit sales, consumer leases, and consumer loans made
18 in this state taken by assignment during the preceding calendar
19 year, but an assignee need not pay a fee with respect to an
20 obligation on which the assignor or other person has already paid a
21 fee.

22 ~~(4) All fees collected pursuant to the provisions of this~~
23 ~~section shall be deposited into the General Revenue Fund of the~~
24 ~~State Treasury.~~

1 SECTION 6. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 6-302 of Title 14A, unless there
3 is created a duplication in numbering, reads as follows:

4 (1) The Commission on Consumer Credit shall prescribe by
5 administrative rules all examination fees and license fees
6 authorized by the Uniform Consumer Credit Code. All fees prescribed
7 by rule of the Commission shall be in accordance with Article I of
8 the Administrative Procedures Act. Any fee established by emergency
9 rule shall remain effective until the fee is prescribed by permanent
10 rule of the Commission in accordance with Article I of the
11 Administrative Procedures Act.

12 (2) Unless otherwise provided in Title 14A of the Oklahoma
13 Statutes, all fees and civil penalties authorized by the Uniform
14 Consumer Credit Code shall be deposited as follows:

15 (a) An amount up to One Hundred Fifty Dollars (\$150.00)
16 for supervised lender licenses shall be deposited in
17 the General Revenue Fund of the State Treasury. Any
18 amount in excess of One Hundred Fifty Dollars
19 (\$150.00) shall be deposited in the Consumer Credit
20 Administrative Expenses Revolving Fund established in
21 Section 6-301 of Title 14A of the Oklahoma Statutes.

22 (b) An amount up to Three Hundred Dollars (\$300.00) for
23 examination fees shall be deposited in the General
24 Revenue Fund of the State Treasury. Any amount in

1 excess of Three Hundred Dollars (\$300.00) shall be
2 deposited in the Consumer Credit Administrative
3 Expenses Revolving Fund established in Section 6-301
4 of Title 14A of the Oklahoma Statutes.

5 (c) An amount up to Two Hundred Twenty-five Dollars
6 (\$225.00) for an investigation fee shall be deposited
7 in the General Revenue Fund of the State Treasury.
8 Any amount in excess of Two Hundred Twenty-five
9 Dollars (\$225.00) shall be deposited in the Consumer
10 Credit Administrative Expenses Revolving Fund
11 established in Section 6-301 of Title 14A of the
12 Oklahoma Statutes.

13 (d) An amount up to Twenty Dollars (\$20.00) for
14 notification filings pursuant to Section 6-203 of
15 Title 14A of the Oklahoma Statutes shall be deposited
16 in the General Revenue Fund of the State Treasury.
17 Any amount in excess of Twenty Dollars (\$20.00) shall
18 be deposited in the Consumer Credit Administrative
19 Expenses Revolving Fund established in Section 6-301
20 of Title 14A of the Oklahoma Statutes.

21 (e) Civil penalties shall be deposited in the Consumer
22 Credit Administrative Expenses Revolving Fund
23 established in Section 6-301 of Title 14A of the
24 Oklahoma Statutes.

1 SECTION 7. AMENDATORY 14A O.S. 2001, Section 6-501, is
2 amended to read as follows:

3 Section 6-501. There is hereby created:

4 (a) the Department of Consumer Credit;

5 (b) the Commission on Consumer Credit. The Commission
6 shall be the policy-making and governing authority of
7 the Department and shall appoint the Administrator and
8 be responsible for the enforcement of the Uniform
9 Consumer Credit Code; and

10 (c) the Office of Administrator of Consumer Credit. ~~The~~
11 ~~Commission shall be the policy-making and governing~~
12 ~~authority of the Department and shall appoint the~~
13 ~~Administrator and be responsible for the enforcement~~
14 ~~of this act; and~~

15 (d) the Consumer Credit Advisory Committee.

16 (i) The Consumer Credit Advisory Committee shall be
17 appointed by the Commission on Consumer Credit
18 and shall consist of the following members: two
19 members to represent the interests of supervised
20 lenders; one member to represent the interests of
21 pawnbrokers; one member to represent the
22 interests of mortgage brokers and mortgage loan
23 originators; one member to represent the
24 interests of rental dealers; one member to

1 represent the interests of licensed precious
2 metal and gem dealers; one member to represent
3 the interests of health spas; one member to
4 represent the interests of credit services
5 organizations; one member to represent the
6 interests of persons required to file
7 notification pursuant to Section 6-201 of this
8 title; and the Administrator of Consumer Credit.
9 The Administrator of Consumer Credit shall serve
10 as the Chair of the Advisory Committee.

11 (ii) The appointments shall be a public record of the
12 Department of Consumer Credit. The term of
13 office for each appointed member shall begin
14 January 1, 2011, and shall continue for a period
15 of four (4) years. Each appointed member shall
16 be eligible for reappointment.

17 (iii) The Consumer Credit Advisory Committee shall have
18 authority to review fees applicable to licensees
19 of the Department of Consumer Credit. The
20 Consumer Credit Advisory Committee shall make
21 recommendations to the Commission on Consumer
22 Credit regarding any fees applicable to licensees
23 of the Department.

1 B. If the Administrator does not so find facts sufficient to
2 warrant issuance of a license, he shall notify the applicant. If
3 within thirty (30) days of such notification the applicant requests
4 a hearing on the application, a hearing shall be held within sixty
5 (60) days after the date of the request. In the event of the denial
6 of a license, the investigation fee shall be retained by the
7 Administrator, but the annual license fee shall be returned to the
8 applicant.

9 C. The Administrator shall grant or deny such application for
10 license within sixty (60) days from its filing with the required
11 fees, or from the hearing thereon, if any, unless the period is
12 extended by written agreement between the applicant and the
13 Administrator.

14 D. No license to engage in the business of a credit services
15 organization shall be issued for any location if a license has been
16 issued and is in effect under the provisions of Sections 3-501
17 through 3-514 of Title 14A of the Oklahoma Statutes. As used in
18 this subsection the term "location" means the entire area in which a
19 person licensed pursuant to any provision of Title 14A of the
20 Oklahoma Statutes conducts business. No credit service organization
21 may be connected with any location in which a person licensed
22 pursuant to any provision of Title 14A of the Oklahoma Statutes
23 conducts business, except by a passageway to which the public is not
24 admitted.

1 E. The Commission on Consumer Credit may prescribe by rule a
2 fee for each license change, duplicate license or returned check.

3 SECTION 9. AMENDATORY 24 O.S. 2001, Section 144, is
4 amended to read as follows:

5 Section 144. A. Each license shall state the name of the
6 license and the address of which the business is to be conducted.
7 The license shall be displayed at the place of business named in the
8 license. The license shall not be transferable or assignable except
9 upon approval by the Administrator of Consumer Credit.

10 B. A separate license shall be required for each credit service
11 organization operated pursuant to the Credit Services Organization
12 Act.

13 The Administrator may issue more than one license to any one
14 person upon compliance with the provisions of the Credit Services
15 Organization Act as to each license. A licensee desiring to move
16 his credit service operation to another location shall give thirty
17 (30) days' written notice to the Administrator, who shall amend the
18 license accordingly.

19 C. Each license shall remain in full force and effect until
20 relinquished, suspended, revoked or expired. Every licensee, on or
21 before December 1 of each year, shall pay the Administrator ~~One~~
22 ~~Hundred Dollars (\$100.00)~~ a license renewal fee for each license
23 held by ~~him~~ the licensee as the annual fee for the succeeding
24 calendar year. If the annual fee remains unpaid fifteen (15) days

1 after written notice of delinquency has been given to the licensee
2 by the Administrator, the license shall thereupon expire, but
3 expiration shall not occur before December 31 of any year for which
4 an annual fee has been paid.

5 D. A late fee, as prescribed by rule of the Commission on
6 Consumer Credit, shall be imposed for any license renewed after
7 December 1.

8 SECTION 10. AMENDATORY 24 O.S. 2001, Section 145, is
9 amended to read as follows:

10 Section 145. A. The Administrator of Consumer Credit or an
11 independent hearing examiner may, after notice and hearing, decline
12 to renew a license, suspend or revoke any license, or in addition to
13 or in lieu of suspension or revocation, order refunds for any
14 excessive or unlawful charges or enter a cease and desist order if
15 he the Administrator or hearing examiner finds that:

16 1. The licensee has failed to pay any fee or charge properly
17 imposed by the Administrator under the authority of the Credit
18 Services Organization Act;

19 2. The licensee or any entity or individual subject to the
20 Credit Services Organization Act, either knowingly or without the
21 exercise of due care to prevent the same, has violated any
22 provisions of the Credit Services Organization Act or any regulation
23 or order lawfully made pursuant thereto; or

24

1 3. Any fact or condition exists which, if it had existed or had
2 been known to exist at the time of the original application for a
3 license, clearly would have justified the Administrator in refusing
4 the license.

5 B. The hearing shall be held upon twenty (20) days' notice in
6 writing, setting forth the time and place thereof and a concise
7 statement of the facts alleged to warrant suspension or revocation.
8 At the conclusion of the hearing, the Administrator shall prepare a
9 written order setting forth the effective date of any suspension or
10 revocation accompanied by findings of fact and a copy thereof shall
11 be forthwith delivered to the licensee. Such order, findings and
12 the evidence considered by the Administrator shall be filed with the
13 public records of the Administrator.

14 C. Any licensee may surrender any license by delivering it to
15 the Administrator with written notice of its surrender, but such
16 surrender shall not affect the licensee's civil or criminal
17 liability for acts committed prior thereto.

18 D. No revocation, suspension or surrender of any license shall
19 impair or affect the obligation of any preexisting lawful contract
20 between the licensee and any customer.

21 E. The Administrator may reinstate suspended licenses or issue
22 new licenses to a person whose license or licenses have been revoked
23 if no fact or condition then exists which clearly would have
24

1 justified the Administrator in refusing originally to issue such
2 license pursuant to the Credit Services Organization Act.

3 F. On application of any person and payment of the cost
4 thereof, the Administrator shall furnish under ~~his~~ the seal and
5 signature of the Administrator a certificate of good standing or a
6 certified copy of any license.

7 G. Any entity or individual offering to engage or engaged as a
8 credit service organization in this state shall be subject to a
9 civil penalty not to exceed Five Thousand Dollars (\$5,000.00).

10 H. The Administrator or an independent hearing examiner may
11 impose a civil penalty as prescribed in subsection G of this
12 section, after notice and hearing in accordance with Article II of
13 the Administrative Procedures Act. Any administrative order or
14 settlement agreement imposing a civil penalty pursuant to this
15 section may be enforced in the same manner as civil judgments in
16 this state. The Administrator may file an application to enforce an
17 administrative order or settlement agreement imposing a civil
18 penalty in the district court of Oklahoma County.

19 SECTION 11. AMENDATORY 24 O.S. 2001, Section 146, is
20 amended to read as follows:

21 Section 146. A. At such times as the Administrator of Consumer
22 Credit may deem necessary, the Administrator or ~~his~~ a duly
23 authorized representative of the Administrator may make an
24 examination of the place of business of each licensee and may

1 inquire into and examine the transactions, books, accounts, papers,
2 correspondence and records of such licensee insofar as they pertain
3 to the business regulated by the Credit Services Organization Act.
4 Such books, accounts, papers, correspondence and records shall also
5 be open for inspection at any reasonable time by any peace officer,
6 without any need of judicial writ or other process. In the course
7 of an examination, the Administrator or ~~his~~ a duly authorized
8 representative of the Administrator shall have free access to the
9 office, place of business, files, safes and vaults of such licensee,
10 and shall have the right to make copies of any books, accounts,
11 papers, correspondence and records. The Administrator or ~~his~~ duly
12 authorized representative, during the course of such examination,
13 may administer oaths and examine any person under oath upon any
14 subject pertinent to any matter about which the Administrator is
15 authorized or required by the Credit Services Organization Act to
16 consider, investigate or secure information. Any licensee who fails
17 or refuses to permit the Administrator or ~~his~~ duly authorized
18 representative to examine or make copies of such books or other
19 relevant documents shall be deemed to be in violation of the Credit
20 Services Organization Act and such failure or refusal shall
21 constitute grounds for the suspension or revocation of such license.
22 The information obtained in the course of any examination or
23 inspection shall be confidential, except in civil or administrative
24 proceedings conducted by the Administrator, or criminal proceedings

1 instituted by the state. Each licensee shall pay to the
2 Administrator ~~an amount assessed by the Administrator to cover the~~
3 ~~direct or indirect cost of such examination, not to exceed Two~~
4 ~~Hundred Dollars (\$200.00) in any calendar year~~ examination fee. The
5 Administrator may require payment of an examination fee either at
6 the time of initial application, renewal of the license, or after an
7 examination has been conducted.

8 B. For the purpose of discovering violations of the Credit
9 Services Organization Act or of securing information required by the
10 Credit Services Organization Act, the Administrator or ~~his~~ duly
11 authorized representative may investigate the books, accounts,
12 papers, correspondence and records of any licensee or other person
13 who the Administrator has reasonable cause to believe is violating
14 any provision of the Credit Services Organization Act whether or not
15 such person shall claim to be within the authority or scope of the
16 Credit Services Organization Act.

17 C. Each licensee shall keep or make available in this state
18 such books and records relating to credit service transactions made
19 pursuant to the Credit Services Organization Act as are necessary to
20 enable the Administrator to determine whether the licensee is
21 complying with the Credit Services Organization Act. Such books and
22 records shall be consistent with accepted accounting practices.

23 D. Each licensee shall preserve or make available such books
24 and records in this state relating to each of its credit service

1 transactions for four (4) years from the date of the transaction, or
2 two (2) years from the date of the final entry made thereon,
3 whichever is later. Each licensee's system of records shall be
4 accepted if it discloses such information as may be reasonably
5 required pursuant to the Credit Services Organization Act. All
6 agreements signed by customers shall be kept at an office in this
7 state designated by the licensee, except when transferred under an
8 agreement which gives the Administrator access thereto.

9 E. Each licensee, annually on or before the first day of May or
10 other date thereafter fixed by the Administrator, shall file a
11 report with the Administrator setting forth such relevant
12 information as the Administrator may reasonably require concerning
13 the business and operations during the preceding calendar year for
14 each licensed place of business conducted by such licensee within
15 the state. Such report shall be made under oath and shall be in the
16 form prescribed by the Administrator, who may make and publish
17 annually a consolidated analysis and recapitulation of such reports,
18 but the individual reports shall be held confidential.

19 SECTION 12. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 148.1 of Title 24, unless there
21 is created a duplication in numbering, reads as follows:

22 A. The Commission on Consumer Credit shall prescribe by
23 administrative rule all examination fees and license fees authorized
24 by the Credit Services Organization Act. All fees prescribed by

1 rule of the Commission shall be in accordance with Article I of the
2 Administrative Procedures Act. Any fee the Commission is authorized
3 to prescribe by rule shall be by emergency rule. Any fee
4 established by emergency rule shall remain effective until the fee
5 is prescribed by permanent rule of the Commission in accordance with
6 Article I of the Administrative Procedures Act.

7 B. Unless otherwise provided in the Credit Services
8 Organization Act, all examination and license fees and civil
9 penalties prescribed by rule of the Commission shall be deposited as
10 follows:

11 1. An amount up to One Hundred Dollars (\$100.00) for annual
12 license fees shall be deposited in the General Revenue Fund of the
13 State Treasury. Any amount in excess of One Hundred Dollars
14 (\$100.00) shall be deposited in the Consumer Credit Administrative
15 Expenses Revolving Fund established in Section 6-301 of Title 14A of
16 the Oklahoma Statutes;

17 2. An amount up to Two Hundred Dollars (\$200.00) for
18 examination fees shall be deposited in the General Revenue Fund of
19 the State Treasury. Any amount in excess of Two Hundred Dollars
20 (\$200.00) shall be deposited in the Consumer Credit Administrative
21 Expenses Revolving Fund established in Section 6-301 of Title 14A of
22 the Oklahoma Statutes;

23 3. An amount up to One Hundred Dollars (\$100.00) for
24 investigation fees shall be deposited in the General Revenue Fund of

1 the State Treasury. Any amount in excess of One Hundred Dollars
2 (\$100.00) shall be deposited in the Consumer Credit Administrative
3 Expenses Revolving Fund established in Section 6-301 of Title 14A of
4 the Oklahoma Statutes; and

5 4. All other fees and civil penalties authorized by the Credit
6 Services Organization Act shall be deposited in the Consumer Credit
7 Administrative Expenses Revolving Fund created in Section 6-301 of
8 Title 14A of the Oklahoma Statutes.

9 SECTION 13. AMENDATORY 59 O.S. 2001, Section 1505, as
10 amended by Section 3, Chapter 431, O.S.L. 2009 (59 O.S. Supp. 2009,
11 Section 1505), is amended to read as follows:

12 Section 1505. A. Upon the filing of an application and bond
13 and payment of ~~the~~ an annual license fee ~~of One Hundred Forty~~
14 ~~Dollars (\$140.00)~~ and an investigation fee ~~of One Hundred Twenty~~
15 ~~five Dollars (\$125.00)~~, the Administrator of Consumer Credit shall
16 conduct an investigation. If ~~he~~ the Administrator finds that the
17 financial responsibility, experience, character and general fitness
18 of the applicant are such as to warrant belief that the business
19 will be operated lawfully and fairly, within the purposes of ~~Section~~
20 ~~1501 et seq. of this title~~ the Oklahoma Pawnshop Act, and the
21 applicant meets the eligibility requirements of Section 1503A of
22 this title, ~~he~~ the Administrator shall grant the application and
23 issue to the applicant a license which will evidence ~~his~~ the
24 applicant's authority to do business under the provisions of ~~Section~~

1 ~~1501 et seq. of this title the Oklahoma Pawnshop Act. Provided,~~
2 ~~that if a license is granted pursuant to an application filed after~~
3 ~~June 30 of any year the license fee for the balance of such year~~
4 ~~shall be Seventy Dollars (\$70.00).~~

5 B. If the Administrator does not so find facts sufficient to
6 warrant issuance of a license, ~~he~~ the Administrator shall notify the
7 applicant. If within thirty (30) days of such notification the
8 applicant requests a hearing on the application, a hearing shall be
9 held within sixty (60) days after the date of the request. In the
10 event of the denial of a license, the investigation fee shall be
11 retained by the Administrator, but the annual license fee shall be
12 returned to the applicant.

13 C. The Administrator shall grant or deny each application for
14 license within sixty (60) days from its filing with the required
15 fees, or from the hearing thereon, if any, unless the period is
16 extended by written agreement between the applicant and the
17 Administrator.

18 D. No license to engage in the business of a pawnbroker shall
19 be issued for any location where a license has been issued and is in
20 effect under the provisions of Section 3-501 et seq. of Title 14A of
21 the Oklahoma Statutes. The word "location" as used in this
22 subsection means the entire space in which a Title 14A licensee
23 conducts business. No pawnshop may be connected with any location
24

1 in which a Title 14A licensee conducts business, except by a
2 passageway to which the public is not admitted.

3 ~~E. Of the license fee provided for in subsection A of this~~
4 ~~section, One Hundred Dollars (\$100.00) shall be deposited in the~~
5 ~~General Revenue Fund of the State Treasury and Forty Dollars~~
6 ~~(\$40.00) shall be deposited in the Consumer Credit Administrative~~
7 ~~Expenses Revolving Fund created in Section 1 of this act.~~

8 ~~F. Of the half year license fees provided for in subsection A~~
9 ~~of this section, Fifty Dollars (\$50.00) shall be deposited in the~~
10 ~~General Revenue Fund of the State Treasury and Twenty Dollars~~
11 ~~(\$20.00) shall be deposited in the Consumer Credit Administrative~~
12 ~~Expenses Revolving Fund created in Section 1 of this act.~~

13 SECTION 14. AMENDATORY 59 O.S. 2001, Section 1506, as
14 amended by Section 4, Chapter 431, O.S.L. 2009 (59 O.S. Supp. 2009,
15 Section 1506), is amended to read as follows:

16 Section 1506. A. Each license shall state the name of the
17 licensee and the address at which the business is to be conducted.
18 The license shall be displayed at the place of business named in the
19 license. The license shall not be transferable or assignable except
20 upon approval by the Administrator of Consumer Credit.

21 B. A separate license shall be required for each pawnshop
22 operated under ~~this act~~ the Oklahoma Pawnshop Act.

23 The Administrator may issue more than one license to any one
24 person upon compliance with the provisions of this act as to each

1 license. When a licensee wishes to move ~~his~~ the licensee's pawnshop
2 to another location, ~~he~~ the licensee shall give thirty (30) days'
3 written notice to the Administrator, who shall amend the license
4 accordingly.

5 C. Each license shall remain in full force and effect until
6 relinquished, suspended, revoked or expired. Every licensee, on or
7 before each December 1, shall pay the Administrator ~~One Hundred~~
8 ~~Forty Dollars (\$140.00)~~ for each license held by him as the an
9 annual fee for the succeeding calendar year. If the annual fee
10 remains unpaid fifteen (15) days after written notice of delinquency
11 has been given to the licensee by the Administrator, the license
12 shall thereupon expire, but expiration shall not occur before
13 December 31 of any year for which an annual fee has been paid.

14 D. No licensing requirement or license fee shall be required,
15 levied or collected by any municipal corporation of this state;
16 provided that municipal corporations may require the payment of
17 regulatory fees not in excess of Fifty Dollars (\$50.00) per annum.

18 ~~E. Of the license fee provided for in subsection C of this~~
19 ~~section, One Hundred Dollars (\$100.00) shall be deposited in the~~
20 ~~General Revenue Fund of the State Treasury and Forty Dollars~~
21 ~~(\$40.00) shall be deposited in the Consumer Credit Administrative~~
22 ~~Expenses Revolving Fund created in Section 1 of this act.~~

23 SECTION 15. AMENDATORY 59 O.S. 2001, Section 1507, is
24 amended to read as follows:

1 Section 1507. A. The Administrator of Consumer Credit or an
2 independent hearing examiner may, after notice and hearing, decline
3 to renew a license, suspend or revoke any license, or in addition to
4 or in lieu of suspension or revocation, order refunds for any
5 excessive or unlawful charges or enter a cease and desist order if
6 ~~he~~ the Administrator or hearing examiner finds that:

7 1. The licensee or any entity or individual subject to the
8 Oklahoma Pawnshop Act has failed to pay any fee or charge properly
9 imposed by the Administrator under the authority of ~~this act~~ the
10 Oklahoma Pawnshop Act;

11 2. The licensee, either knowingly or without the exercise of
12 due care to prevent the same, has violated any provision of ~~this act~~
13 the Oklahoma Pawnshop Act or any ~~regulation~~ rule or order lawfully
14 made pursuant to and within the authority of ~~this act~~ the Oklahoma
15 Pawnshop Act; or

16 3. Any fact or condition exists which, if it had existed or had
17 been known to exist at the time of the original application for a
18 license, clearly would have justified the Administrator in refusing
19 the license.

20 B. The hearing shall be held upon twenty (20) days' notice in
21 writing, setting forth the time and place thereof and a concise
22 statement of the facts alleged to warrant suspension or revocation.
23 At the conclusion of the hearing, the Administrator shall prepare a
24 written order setting forth the effective date of any suspension or

1 revocation accompanied by findings of fact and a copy thereof shall
2 be forthwith delivered to the licensee. Such order, findings and
3 the evidence considered by the Administrator shall be filed with the
4 public records of the Administrator.

5 C. Any licensee may surrender any license by delivering it to
6 the Administrator with written notice of its surrender, but such
7 surrender shall not affect the licensee's civil or criminal
8 liability for acts committed prior thereto.

9 D. No revocation, suspension or surrender of any license shall
10 impair or affect the obligation of any preexisting lawful contract
11 between the licensee and any customer.

12 E. The Administrator may reinstate suspended licenses or issue
13 new licenses to a person whose license or licenses have been revoked
14 if no fact or condition then exists which clearly would have
15 justified the Administrator in refusing originally to issue such
16 license under ~~this act~~ the Oklahoma Pawnshop Act.

17 F. On application of any person and payment of the cost
18 thereof, the Administrator shall furnish under ~~his~~ the
19 Administrator's seal and signature a certificate of good standing or
20 a certified copy of any license.

21 G. The Commission on Consumer Credit shall prescribe by rule a
22 fee for each license change, duplicate license, or returned check.

23
24

1 H. A licensee shall pay a late fee as prescribed by rule of the
2 Commission on Consumer Credit if a license is not renewed by
3 December 1.

4 I. Any entity or individual offering to engage or engaged in
5 making pawn transactions in this state without a license shall be
6 subject to a civil penalty not to exceed Five Thousand Dollars
7 (\$5,000.00).

8 J. The Administrator or an independent hearing examiner may
9 impose a civil penalty as prescribed in subsection I of this
10 section, after notice and hearing in accordance with Article II of
11 the Administrative Procedures Act. Any administrative order or
12 settlement agreement imposing a civil penalty pursuant to this
13 section may be enforced in the same manner as civil judgments in
14 this state. The Administrator may file an application to enforce an
15 administrative order or settlement agreement imposing a civil
16 penalty in the district court of Oklahoma County.

17 SECTION 16. AMENDATORY 59 O.S. 2001, Section 1508, is
18 amended to read as follows:

19 Section 1508. A. At such times as the Administrator of
20 Consumer Credit may deem necessary, the Administrator or ~~his~~ a duly
21 authorized representative of the Administrator may make an
22 examination of the place of business of each licensee and may
23 inquire into and examine the transactions, books, accounts, papers,
24 correspondence and records of such licensee insofar as they pertain

1 to the business regulated by ~~Section 1501 et seq. of this title~~ the
2 Oklahoma Pawnshop Act. Such books, accounts, papers,
3 correspondence, records and property taken, purchased or received
4 shall also be open for inspection at any reasonable time to federal
5 law enforcement officials and the chief of police, district
6 attorney, sheriff or written designee of the law enforcement body in
7 whose jurisdiction the pawnshop is located, without any need of
8 judicial writ or other process. In the course of an examination,
9 the Administrator or ~~his~~ duly authorized representative or any
10 authorized peace officer shall have free access to the office, place
11 of business, files, safes and vaults of such licensee, and shall
12 have the right to make copies of any books, accounts, papers,
13 correspondence and records insofar as they pertain to the business
14 regulated by ~~Section 1501 et seq. of this title~~ the Oklahoma
15 Pawnshop Act. The Administrator or ~~his~~ duly authorized
16 representative may, during the course of such examination,
17 administer oaths and examine any person under oath upon any subject
18 pertinent to any matter about which the Administrator is authorized
19 or required by ~~this act~~ the Oklahoma Pawnshop Act to consider,
20 investigate or secure information. Any licensee who fails or
21 refuses to permit the Administrator or ~~his~~ duly authorized
22 representative or any authorized peace officer to examine or make
23 copies of such books or other relevant documents shall thereby be
24 deemed in violation of ~~this act~~ the Oklahoma Pawnshop Act and such

1 failure or refusal shall constitute grounds for the suspension or
2 revocation of such license. The information obtained in the course
3 of any examination or inspection shall be confidential, except in
4 civil or administrative proceedings conducted by the Administrator,
5 or criminal proceedings instituted by the state. Each licensee
6 shall pay to the Administrator an amount ~~assessed by the~~
7 ~~Administrator to cover the direct or indirect cost of such~~
8 ~~examination, not to exceed Two Hundred Dollars (\$200.00) in any~~
9 ~~calendar year~~ examination fee. The Administrator may require
10 payment of an examination fee either at the time of initial
11 application, renewal of the license, or after an examination has
12 been conducted.

13 B. Whenever a peace officer has probable cause to believe that
14 property in possession of a licensed pawnbroker is stolen or
15 embezzled, the peace officer of the local law enforcement agency of
16 the municipality or other political subdivision in which the
17 pawnshop resides may place a written hold order on the property.
18 The initial term of the written hold order shall not exceed thirty
19 (30) days. However, the holding period may be extended in
20 successive thirty (30) day increments upon written notification
21 prior to the expiration of the initial holding period. If the
22 holding period has expired and has not been extended, the hold order
23 shall be considered expired and no longer in effect, and title shall
24 vest in the pawnbroker subject to any restrictions contained in the

1 pawn contract. The initial written hold order shall contain the
2 following information:

3 1. Signature of the pawnbroker or ~~his~~ designee;

4 2. Name, title and identification number of the peace officer
5 placing the hold order;

6 3. Name and address of the agency to which the peace officer is
7 attached and the offense number;

8 4. Complete description of the property to be held, including
9 model number, serial number and transaction number;

10 5. Name of agency reporting the property to be stolen or
11 embezzled;

12 6. Mailing address of the pawnshop where the property is held;

13 7. Expiration date of the holding period.

14 C. While a hold order is in effect, the pawnbroker may consent
15 to release, upon written receipt, the stolen or embezzled property
16 to the custody of the local law enforcement agency to which the
17 peace officer placing the hold order is attached. The consent to
18 release the stolen or embezzled property to the custody of law
19 enforcement is not a waiver or release of the pawnbroker's property
20 rights or interest in the property. Otherwise, the pawnbroker shall
21 not release or dispose of the property except pursuant to a court
22 order or the expiration of the holding period including all
23 extensions. The district attorney's office shall notify the
24 pawnbroker in writing in cases where criminal charges have been

1 filed that the property may be needed as evidence. The notice shall
2 contain the case number, the style of the case, and a description of
3 the property. The pawnbroker shall hold such property until
4 receiving notice of the disposition of the case from the district
5 attorney's office. The district attorney's office shall notify the
6 pawnbroker in writing within fifteen (15) days of the disposition of
7 the case. Willful noncompliance of a pawnbroker to a written hold
8 order shall be cause for the pawnbroker's license to either be
9 suspended or revoked pursuant to paragraph 2 of subsection A of
10 Section 1507 of this title. A hold order may be released prior to
11 the expiration of any thirty-day holding period by written release
12 from the agency placing the initial hold order.

13 D. For the purpose of discovering violations of ~~this act~~ the
14 Oklahoma Pawnshop Act or of securing information required hereunder,
15 the Administrator or ~~his~~ duly authorized representative may
16 investigate the books, accounts, papers, correspondence and records
17 of any licensee or other person who the Administrator has reasonable
18 cause to believe is violating any provision of ~~this act~~ the Oklahoma
19 Pawnshop Act whether or not such person shall claim to be within the
20 authority or scope of ~~this act~~ the Oklahoma Pawnshop Act. For the
21 purpose of this section, any person who advertises for, solicits or
22 holds himself out as willing to make pawn transactions, shall be
23 presumed to be a pawnbroker.

24

1 E. Each licensee shall keep or make available in this state
2 such books and records relating to pawn transactions made under ~~this~~
3 ~~act~~ the Oklahoma Pawnshop Act as are necessary to enable the
4 Administrator to determine whether the licensee is complying with
5 ~~this act~~ the Oklahoma Pawnshop Act. Such books and records shall be
6 consistent with accepted accounting practices.

7 F. Each licensee shall preserve or make available such books
8 and records in this state relating to each of its pawn transactions
9 for four (4) years from the date of the transaction, or two (2)
10 years from the date of the final entry made thereon, whichever is
11 later. Each licensee's system of records shall be accepted if it
12 discloses such information as may be reasonably required under ~~this~~
13 ~~act~~ the Oklahoma Pawnshop Act. All agreements signed by customers
14 shall be kept at an office in this state designated by the licensee,
15 except when transferred under an agreement which gives the
16 Administrator access thereto. All credit sales made by a
17 pawnbroker, other than those sales defined in paragraph 6 of Section
18 1502 of this title, as a pawn transaction, shall be made in
19 accordance with and subject to the provisions of Title 14A of the
20 Oklahoma Statutes.

21 G. Each licensee shall, annually on or before the first day of
22 May or other date thereafter fixed by the Administrator, file a
23 report with the Administrator setting forth such relevant
24 information as the Administrator may reasonably require concerning

1 the business and operations during the preceding calendar year for
2 each licensed place of business conducted by such licensee within
3 the state. Such report shall be made under oath and shall be in the
4 form prescribed by the Administrator, who may make and publish
5 annually a consolidated analysis and recapitulation of such reports,
6 but the individual reports shall be held confidential.

7 H. The Administrator may ~~make regulations~~ promulgate rules
8 necessary for the enforcement of ~~this act~~ the Oklahoma Pawnshop Act
9 and consistent with all its provisions. Before making such a
10 ~~regulation~~ rule relating to the licensees subject to ~~this act~~ the
11 Oklahoma Pawnshop Act, the Administrator shall give each licensee at
12 least thirty (30) days' written notice of a public hearing, stating
13 the time and place thereof and the terms or substance of the
14 proposed regulation. At the hearing, any licensee or other person
15 may be heard and may introduce evidence, data or arguments or place
16 the same on file. The Administrator, after consideration of all
17 relevant matters presented, shall adopt and promulgate every
18 ~~regulation~~ rule in written form, stating the date of adoption and
19 date of promulgation. Each such ~~regulation~~ rule shall be entered in
20 a permanent record book which shall be public record and be kept in
21 the Administrator's office. A copy of every ~~regulation~~ rule shall
22 be mailed to each licensee, and no such ~~regulation~~ rule shall become
23 effective until the expiration of at least twenty (20) days after
24 such mailing. On the application of any person and payment of the

1 cost thereof, the Administrator shall furnish such person a
2 certified copy of such ~~regulation~~ rule.

3 I. Except as otherwise expressly provided in ~~this act~~ the
4 Oklahoma Pawnshop Act, the Administrative Procedures Act, Section
5 251 et seq. and 301 et seq. of Title 75 of the Oklahoma Statutes,
6 applies to and governs all administrative actions and civil
7 proceedings taken by the Administrator pursuant to ~~this act~~ the
8 Oklahoma Pawnshop Act.

9 SECTION 17. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 1515.1 of Title 59, unless there
11 is created a duplication in numbering, reads as follows:

12 A. The Commission on Consumer Credit shall prescribe by
13 administrative rules all examination fees and license fees
14 authorized by the Oklahoma Pawnshop Act. All fees prescribed by
15 rule of the Commission shall be in accordance with Article I of the
16 Administrative Procedures Act. Any fee the Commission is authorized
17 to prescribe by rule shall be by emergency rule. Any fee
18 established by emergency rule shall remain effective until the fee
19 is prescribed by permanent rule of the Commission in accordance with
20 Article I of the Administrative Procedures Act.

21 B. Unless otherwise provided in the Oklahoma Pawnshop Act, all
22 examination and license fees and civil penalties prescribed by rule
23 of the Commission shall be deposited as follows:

24

1 1. An amount up to One Hundred Dollars (\$100.00) for annual
2 license fees shall be deposited in the General Revenue Fund of the
3 State Treasury. Any amount in excess of One Hundred Dollars
4 (\$100.00) shall be deposited in the Consumer Credit Administrative
5 Expenses Revolving Fund established in Section 6-301 of Title 14A of
6 the Oklahoma Statutes;

7 2. An amount up to Two Hundred Dollars (\$200.00) for
8 examination fees shall be deposited in the General Revenue Fund of
9 the State Treasury. Any amount in excess of Two Hundred Dollars
10 (\$200.00) shall be deposited in the Consumer Credit Administrative
11 Expenses Revolving Fund established in Section 6-301 of Title 14A of
12 the Oklahoma Statutes;

13 3. An amount up to One Hundred Twenty-five Dollars (\$125.00)
14 for an investigation fee shall be deposited in the General Revenue
15 Fund of the State Treasury. Any amount in excess of One Hundred
16 Twenty-five Dollars (\$125.00) shall be deposited in the Consumer
17 Credit Administrative Expenses Revolving Fund established in Section
18 6-301 of Title 14A of the Oklahoma Statutes; and

19 4. Civil penalties and all other license fees authorized by the
20 Oklahoma Pawnshop Act shall be deposited in the Consumer Credit
21 Administrative Expenses Revolving Fund created in Section 6-301 of
22 Title 14A of the Oklahoma Statutes.

23

24

1 SECTION 18. AMENDATORY 59 O.S. 2001, Section 1525, as
2 amended by Section 5, Chapter 431, O.S.L. 2009 (59 O.S. Supp. 2009,
3 Section 1525), is amended to read as follows:

4 Section 1525. A. Upon the filing of an application, bond and
5 the payment of an annual license fee ~~of Two Hundred Dollars~~
6 ~~(\$200.00)~~ and a one-time investigation fee ~~of Two Hundred Twenty~~
7 ~~five Dollars (\$225.00)~~ by a dealer, the Administrator of Consumer
8 Credit shall conduct an investigation of the applicant prior to
9 issuance of a dealer license.

10 B. Upon the filing of an application, and payment of the fee as
11 provided for in subsection A of Section 1526 of this title, and
12 payment of a ~~one hundred dollar~~ fee by an employee of a licensed
13 dealer, the Administrator shall conduct an investigation of the
14 applicant prior to issuance of an employee license.

15 C. Upon renewal of a license for either a dealer or an
16 employee, the Administrator may conduct an investigation at ~~his~~ the
17 Administrator's discretion or at the request of a district attorney
18 for any county in which the applicant has a permanent place of
19 business.

20 D. If the Administrator finds that the financial
21 responsibility, experience and character of the dealer are such as
22 to warrant belief that the business will be operated lawfully and
23 fairly, within the purposes of ~~this act~~ the Precious Metal and Gem
24 Dealer Licensing Act, the dealer shall be issued a license. ~~Any~~

1 ~~person engaged as a dealer or employee on the operative date of this~~
2 ~~act shall have thirty (30) days from the operative date of this act~~
3 ~~to apply for a license.~~

4 E. A separate license shall be required for each location,
5 place or premises used by a dealer for the conducting of business
6 pursuant to the provisions of this act and each license shall
7 designate the location, place, or premises to which it applies. The
8 business of the dealer shall not be conducted in any place other
9 than that designated by the license. The license shall not be
10 transferable.

11 F. If the Administrator does not find facts sufficient to
12 warrant issuance of a license, ~~he~~ the Administrator shall notify the
13 applicant. If within thirty (30) days of such notification the
14 applicant requests a hearing on the application, a hearing shall be
15 held within sixty (60) days after the day of the request. In the
16 event of the denial of a license, the investigation fee shall be
17 retained by the Administrator, but the annual license fee shall be
18 returned to the applicant.

19 G. The Administrator shall grant or deny an application for
20 license within sixty (60) days from the day of filing or from the
21 last day of a hearing as provided in subsection F of this section,
22 unless the period is extended by written agreement between the
23 applicant and the Administrator.

24

1 H. The Administrator may issue more than one license to any one
2 person upon compliance with the provisions of ~~this act~~ the Precious
3 Metal and Gem Dealer Licensing Act as to each license. When a
4 dealer wishes to move ~~his~~ the dealer's business to another location,
5 ~~he~~ the dealer shall give thirty (30) days' written notice to the
6 Administrator, who shall amend the license accordingly.

7 I. Licensed pawnbrokers shall not be subject to any of the fees
8 provided for in this section.

9 ~~J. Of the license fee provided for in subsection A of this~~
10 ~~section, Fifty Dollars (\$50.00) shall be deposited in the General~~
11 ~~Revenue Fund of the State Treasury and One Hundred Fifty Dollars~~
12 ~~(\$150.00) shall be deposited in the Consumer Credit Administrative~~
13 ~~Expenses Revolving Fund created in Section 1 of this act.~~

14 ~~K. Of the one time inspection fee provided for in subsection A~~
15 ~~of this section, Fifty Dollars (\$50.00) shall be deposited in the~~
16 ~~General Revenue Fund of the State Treasury and One Hundred Seventy-~~
17 ~~five Dollars (\$175.00) shall be deposited in the Consumer Credit~~
18 ~~Administrative Expenses Revolving Fund created in Section 1 of this~~
19 ~~act.~~

20 ~~L. Of the fee required of employees as provided for in~~
21 ~~subsection B of this section, Twenty five Dollars (\$25.00) shall be~~
22 ~~deposited in the General Revenue Fund of the State Treasury and~~
23 ~~Seventy five Dollars (\$75.00) shall be deposited in the Consumer~~
24

1 ~~Credit Administrative Expenses Revolving Fund created in Section 1~~
2 ~~of this act.~~

3 SECTION 19. AMENDATORY 59 O.S. 2001, Section 1526, as
4 amended by Section 6, Chapter 431, O.S.L. 2009 (59 O.S. Supp. 2009,
5 Section 1526), is amended to read as follows:

6 Section 1526. A. Each year, every dealer, on or before each
7 December 1, shall pay the Administrator ~~Two Hundred Dollars~~
8 ~~(\$200.00)~~ of Consumer Credit a fee for each license held by ~~him~~ the
9 dealer as the annual fee for the succeeding calendar year. If not
10 renewed, expiration shall occur on December 31 of the year in which
11 the annual fee has been paid.

12 B. Each year, every employee, on or before December 1, shall
13 pay the Administrator ~~One Hundred Dollars (\$100.00)~~ a fee for the
14 license held by ~~him~~ the employee as the annual fee for the
15 succeeding calendar year. If not renewed, expiration shall occur on
16 December 31 of the year in which the annual fee has been paid.

17 C. There shall be a fee ~~of Fifty Dollars (\$50.00)~~ for a late
18 application for renewal of a license received after December 1,
19 which will be placed in the Consumer Credit Administrative Expenses
20 Revolving Fund created in Section ~~1 of this act~~ 6-301 of Title 14A
21 of the Oklahoma Statutes.

22 ~~D. Of the fee on dealers provided for in subsection A of this~~
23 ~~section, Fifty Dollars (\$50.00) shall be deposited in the General~~
24 ~~Revenue Fund of the State Treasury and One Hundred Fifty Dollars~~

1 ~~(\$150.00) shall be deposited in the Consumer Credit Administrative~~
2 ~~Expenses Revolving Fund created in Section 1 of this act.~~

3 ~~E. Of the one-time inspection fee provided for in subsection A~~
4 ~~of this section, Fifty Dollars (\$50.00) shall be deposited in the~~
5 ~~General Revenue Fund of the State Treasury and One Hundred Seventy-~~
6 ~~five Dollars (\$175.00) shall be deposited in the Consumer Credit~~
7 ~~Administrative Expenses Revolving Fund created in Section 1 of this~~
8 ~~act.~~

9 SECTION 20. AMENDATORY 59 O.S. 2001, Section 1528, is
10 amended to read as follows:

11 Section 1528. A. The Administrator of Consumer Credit or an
12 independent hearing examiner may, after notice and hearing, deny,
13 decline to renew a license, suspend or revoke any license or order a
14 cease and desist order if it is found that:

15 1. The applicant has been convicted of a felony or crime
16 involving fraud, theft, receiving or possession of stolen property
17 in the five (5) years preceding the submission of the application;

18 2. The licensee has failed to pay any fee or charge properly
19 imposed by the Administrator under the authority of ~~this act~~ the
20 Precious Metal and Gem Dealer Licensing Act;

21 3. The licensee or any entity or individual subject to the
22 Precious Metal and Gem Dealer Licensing Act has violated any
23 provision of ~~this act~~ the Precious Metal and Gem Dealer Licensing
24 Act or any ~~regulation~~ rule promulgated or order made pursuant to and

1 within the authority of ~~this act~~ the Precious Metal and Gem Dealer
2 Licensing Act; or

3 4. Any fact or condition exists which, if it had existed or had
4 been known to exist at the time of the original application for a
5 license, clearly would have justified the Administrator in refusing
6 the license.

7 B. The hearing ~~for denial, suspension or revocation of a~~
8 ~~license~~ shall be held upon twenty (20) days' notice in writing,
9 setting forth the time and place thereof and a concise statement of
10 the facts alleged to warrant the hearing. After the hearing, the
11 Administrator shall prepare a written order setting forth the
12 effective date of the order accompanied by findings of fact and a
13 copy shall be delivered to the applicant or licensee. Such order,
14 findings and the evidence considered by the Administrator shall be
15 maintained as a part of the permanent public records of the
16 Administrator.

17 C. Any licensee may surrender any license by delivering it to
18 the Administrator with written notice of its surrender. Such
19 surrender shall not affect the civil or criminal liability of the
20 licensee for acts committed prior to the surrender of the license.

21 D. No revocation, suspension or surrender of any license shall
22 impair or affect the obligation of any preexisting lawful contract
23 between the licensee and any customer.

24

1 E. The Commission on Consumer Credit shall prescribe by rule a
2 fee for each license change, duplicate license, or returned check.

3 F. Any entity or individual offering to engage or engaged as a
4 precious metal dealer in this state without a license shall be
5 subject to a civil penalty not to exceed Five Thousand Dollars
6 (\$5,000.00).

7 G. The Administrator or an independent hearing examiner may
8 impose a civil penalty as prescribed in subsection F of this
9 section, after notice and hearing in accordance with Article II of
10 the Administrative Procedures Act. Any administrative order or
11 settlement agreement imposing a civil penalty pursuant to this
12 section may be enforced in the same manner as civil judgments in
13 this state. The Administrator may file an application to enforce an
14 administrative order or settlement agreement imposing a civil
15 penalty in the district court of Oklahoma County.

16 SECTION 21. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 1532.1 of Title 59, unless there
18 is created a duplication in numbering, reads as follows:

19 A. The Commission on Consumer Credit shall prescribe by
20 administrative rule all examination fees and license fees authorized
21 by the Precious Metal and Gem Dealer Licensing Act. All fees
22 prescribed by rule of the Commission shall be in accordance with
23 Article I of the Administrative Procedures Act. Any fee the
24 Commission is authorized to prescribe by rule shall be by emergency

1 rule. Any fee established by emergency rule shall remain effective
2 until the fee is prescribed by permanent rule of the Commission in
3 accordance with Article I of the Administrative Procedures Act.

4 B. Unless otherwise provided in the Precious Metal and Gem
5 Dealer Licensing Act, all examination and license fees and civil
6 penalties prescribed by rule of the Commission shall be deposited as
7 follows:

8 1. An amount up to Fifty Dollars (\$50.00) for a precious metal
9 dealer annual license fee shall be deposited in the General Revenue
10 Fund of the State Treasury. Any amount in excess of Fifty Dollars
11 (\$50.00) shall be deposited in the Consumer Credit Administrative
12 Expenses Revolving Fund established in Section 6-301 of Title 14A of
13 the Oklahoma Statutes;

14 2. An amount up to Twenty-five Dollars (\$25.00) for precious
15 metal employee annual license fees shall be deposited in the General
16 Revenue Fund of the State Treasury. Any amount in excess of Twenty-
17 five Dollars (\$25.00) shall be deposited in the Consumer Credit
18 Administrative Expenses Revolving Fund established in Section 6-301
19 of Title 14A of the Oklahoma Statutes;

20 3. An amount up to Fifty Dollars (\$50.00) for an investigation
21 fee shall be deposited in the General Revenue Fund of the State
22 Treasury. Any amount in excess of Fifty Dollars (\$50.00) shall be
23 deposited in the Consumer Credit Administrative Expenses Revolving
24

1 Fund established in Section 6-301 of Title 14A of the Oklahoma
2 Statutes; and

3 4. All other license fees and civil penalties authorized by the
4 Precious Metal and Gem Dealer Licensing Act shall be deposited in
5 the Consumer Credit Administrative Expenses Revolving Fund
6 established in Section 6-301 of Title 14A of the Oklahoma Statutes.

7 SECTION 22. AMENDATORY 59 O.S. 2001, Section 1953, is
8 amended to read as follows:

9 Section 1953. A. Lessors shall pay an initial investigation
10 and license fee and an annual license renewal fee of ~~One Hundred~~
11 ~~Dollars (\$100.00)~~ per place of business, which fees shall accompany
12 the license renewal form. ~~Any person engaged in the business of~~
13 ~~rental-purchase transactions on the effective date of this act shall~~
14 ~~not be held in violation of Section 3 of this act from the effective~~
15 ~~date of this act to the date of licensing if the form and fees are~~
16 ~~filed with the Administrator within thirty (30) days from the~~
17 ~~effective date of this act. Provided, that if the license~~
18 ~~application form is filed after June 30 of any year the license fee~~
19 ~~for the balance of such year shall be Fifty Dollars (\$50.00)~~
20 Lessors shall also pay a fee for any returned check, address or
21 license change, or duplicate license request.

22 B. Lessors shall pay a rental-purchase agreement reviewal fee
23 as prescribed by rule of the Commission on Consumer Credit for any
24 rental-purchase agreement submitted to the Administrator of Consumer

1 Credit for review and approval. The Commission may prescribe by
2 rule a process for submitting rental-purchase agreements to the
3 Administrator for review and approval.

4 SECTION 23. AMENDATORY 59 O.S. 2001, Section 1955, is
5 amended to read as follows:

6 Section 1955. A. A consumer damaged by a violation of ~~this act~~
7 the Oklahoma Rental-Purchase Act by a lessor is entitled to recover
8 from the lessor:

9 1. Actual damages;

10 2. Twenty-five percent (25%) of an amount equal to the total
11 amount of payments required to obtain ownership of the merchandise
12 involved, except that the amount recovered under this section shall
13 not be less than One Hundred Dollars (\$100.00) nor more than One
14 Thousand Dollars (\$1,000.00), or in the case of a class action, an
15 amount the court may allow, except that as to each member of the
16 class no minimum recovery may be applicable and the total recovery
17 other than for actual damages in any class action or series of class
18 actions arising out of the same failure to comply by the same lessor
19 shall not be more than the lesser of Five Hundred Thousand Dollars
20 (\$500,000.00) or one percent (1%) of the net worth of the lessor;
21 and

22 3. Reasonable ~~attorneys~~ attorney fees and court costs.

23 B. In addition to the enforcement powers provided in Section
24 6-102 of Title 14A of the Oklahoma Statutes, the Administrator of

1 Consumer Credit or ~~his~~ a duly authorized representative of the
2 Administrator may investigate the books, accounts, papers,
3 correspondence and records of any lessor licensed under the Oklahoma
4 Rental-Purchase Act. For the purposes of this section, any person
5 who advertises for, solicits or holds himself out as willing to make
6 rental-purchase transactions, shall be presumed to be a
7 rental-purchase lessor. Each lessor shall pay to the Administrator
8 ~~an amount assessed by the Administrator to cover the direct or~~
9 ~~indirect cost of such examination, not to exceed Two Hundred Dollars~~
10 ~~(\$200.00) in any calendar year~~ examination fee as prescribed by rule
11 of the Commission on Consumer Credit. The Administrator may require
12 payment of an examination fee either at the time of initial
13 application, renewal of the license, or after an examination has
14 been conducted.

15 C. The Administrator may promulgate rules and regulations
16 necessary for the enforcement of the Oklahoma Rental-Purchase Act
17 and consistent with all its provisions.

18 D. After notice and hearing, the Administrator or an
19 independent hearing examiner may decline to renew a license, suspend
20 or revoke any license issued pursuant to the Oklahoma Rental-
21 Purchase Act for violating any provision of the Oklahoma Rental-
22 Purchase Act or any rules promulgated by the Administrator, or in
23 lieu of or in addition to such denial, suspension or revocation,
24

1 order the refund of any excessive or unlawful charges, or enter a
2 cease and desist order.

3 E. Except as otherwise expressly provided in the Oklahoma
4 Rental-Purchase Act, the Administrative Procedures Act, Sections 301
5 through 326 of Title 75 of the Oklahoma Statutes, applies to and
6 governs all administrative actions and civil proceedings taken by
7 the Administrator pursuant to the Oklahoma Rental-Purchase Act.

8 ~~E.~~ F. Where there are multiple lessees to a rental-purchase
9 agreement, there shall be no more than one recovery under the
10 Oklahoma Rental-Purchase Act for a violation.

11 ~~F.~~ G. A lessor is not liable under the Oklahoma Rental-Purchase
12 Act for a violation thereof caused by the lessor's error if before
13 the sixtieth day after the date the lessor discovers the error, and
14 before an action under this section is filed or written notice of
15 the error is received by the lessor from the lessee, the lessor
16 gives the lessee written notice of the error and makes adjustments
17 in the lessee's account as necessary to ensure that the lessee will
18 not be required to pay an amount in excess of the amount disclosed
19 and that the agreement otherwise complies with this subsection. Nor
20 may a lessor be held liable in any action brought under the Oklahoma
21 Rental-Purchase Act for a violation of the Oklahoma Rental-Purchase
22 Act if the lessor shows by a preponderance of the evidence that the
23 violation was not intentional and resulted from a bona fide error
24 notwithstanding the maintenance of procedures reasonably adopted to

1 avoid the error. A bona fide error includes, but is not limited to,
2 a clerical, calculation, computer malfunction in programming, and
3 printing error, but not an error of legal judgment with respect to a
4 lessor's disclosure obligations under the Oklahoma Rental-Purchase
5 Act.

6 H. Any entity or individual offering to engage or engaged as a
7 rental-purchase lessor in this state without a license shall be
8 subject to a civil penalty not to exceed Five Thousand Dollars
9 (\$5,000.00).

10 I. The Administrator or an independent hearing examiner may
11 impose a civil penalty as prescribed in subsection H of this
12 section, after notice and hearing in accordance with Article II of
13 the Administrative Procedures Act. Any administrative order or
14 settlement agreement imposing a civil penalty pursuant to this
15 section may be enforced in the same manner as civil judgments in
16 this state. The Administrator may file an application to enforce an
17 administrative order or settlement agreement imposing a civil
18 penalty in the district court of Oklahoma County.

19 SECTION 24. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 1956.1 of Title 59, unless there
21 is created a duplication in numbering, reads as follows:

22 A. The Commission on Consumer Credit shall prescribe by
23 administrative rule all examination fees and license fees authorized
24 by the Oklahoma Rental-Purchase Act. All fees prescribed by rule of

1 the Commission shall be in accordance with Article I of the
2 Administrative Procedures Act. Any fee the Commission is authorized
3 to prescribe by rule shall be by emergency rule. Any fee
4 established by emergency rule shall remain effective until the fee
5 is prescribed by permanent rule of the Commission in accordance with
6 Article I of the Administrative Procedures Act.

7 B. Unless otherwise provided in the Oklahoma Rental-Purchase
8 Act, all examination and license fees and civil penalties prescribed
9 by rule of the Commission shall be deposited as follows:

10 1. An amount up to One Hundred Dollars (\$100.00) for annual
11 license fees shall be deposited in the General Revenue Fund of the
12 State Treasury. Any amount in excess of One Hundred Dollars
13 (\$100.00) shall be deposited in the Consumer Credit Administrative
14 Expenses Revolving Fund established in Section 6-301 of Title 14A of
15 the Oklahoma Statutes;

16 2. An amount up to Two Hundred Dollars (\$200.00) for
17 examination fees shall be deposited in the General Revenue Fund of
18 the State Treasury. Any amount in excess of Two Hundred Dollars
19 (\$200.00) shall be deposited in the Consumer Credit Administrative
20 Expenses Revolving Fund established in Section 6-301 of Title 14A of
21 the Oklahoma Statutes; and

22 3. Civil penalties and all remaining license fees shall be
23 deposited in the Consumer Credit Administrative Expenses Revolving
24 Fund created in Section 6-301 of Title 14A of the Oklahoma Statutes.

1 SECTION 25. AMENDATORY 59 O.S. 2001, Section 2002, is
2 amended to read as follows:

3 Section 2002. A. No health spa shall offer or advertise health
4 spa services unless first being registered with the Administrator of
5 Consumer Credit. The registration shall:

6 1. Disclose the address, ownership, date of first sales and
7 date of first opening of the health spa;

8 2. State the name and address of the registered agent of the
9 registrant, if the registrant is a corporation;

10 3. Be renewed each succeeding calendar year; and

11 4. Be accompanied by ~~a fee of Two Hundred Dollars (\$200.00) per~~
12 ~~registration and annual renewal~~ an initial investigation and
13 registration fee and an annual registration fee as prescribed by
14 rule of the Commission on Consumer Credit.

15 B. Each separate location where health spa services are offered
16 shall be considered a separate health spa and shall file a separate
17 registration, even though the separate locations are owned or
18 operated by the same owner.

19 C. The Commission on Consumer Credit shall prescribe by rule a
20 fee for each registration change, duplicate registration, or
21 returned check.

22 D. The Commission on Consumer Credit shall prescribe by rule a
23 late fee for a registration not renewed on or before the expiration
24 date of the registration.

1 E. A health spa shall pay a contract reviewal fee as prescribed
2 by rule of the Commission on Consumer Credit for each health spa
3 contract submitted to the Administrator for review and approval.
4 The Commission may prescribe by rule a process for submitting health
5 spa contracts for review and approval by the Administrator.

6 SECTION 26. AMENDATORY 59 O.S. 2001, Section 2009, is
7 amended to read as follows:

8 Section 2009. A. Any person who engages in business as a
9 health spa without first being properly registered with the
10 Administrator of Consumer Credit as prescribed in the Oklahoma
11 Health Spa Act or who otherwise violates any provision of the
12 Oklahoma Health Spa Act, upon conviction, shall be guilty of a
13 misdemeanor and shall be punished by the imposition of a fine not to
14 exceed Five Thousand Dollars (\$5,000.00) or imprisonment in the
15 county jail for not more than one (1) year, or by both such fine and
16 imprisonment.

17 B. The provisions of Title 14A of the Oklahoma Statutes shall
18 also apply to those health spas registered pursuant to the Oklahoma
19 Health Spa Act.

20 C. The Oklahoma Health Spa Act shall only govern those health
21 spa contracts or membership agreements executed after November 1,
22 1987.

23 D. After notice and hearing, the Administrator or an
24 independent hearing examiner may decline to renew a registration,

1 suspend or revoke any registration issued pursuant to the Oklahoma
2 Health Spa Act or any rules promulgated by the Administrator, or in
3 lieu of or in addition to such denial, suspension or revocation,
4 order the refund of any excessive or unlawful charges, or enter a
5 cease and desist order.

6 E. Any entity or individual offering to engage or engaged as a
7 health spa in this state without a license shall be subject to a
8 civil penalty not to exceed Five Thousand Dollars (\$5,000.00).

9 F. The Administrator or an independent hearing examiner may
10 impose a civil penalty as prescribed in subsection E of this
11 section, after notice and hearing in accordance with Article II of
12 the Administrative Procedures Act. Any administrative order or
13 settlement agreement imposing a civil penalty pursuant to this
14 section may be enforced as in the same manner as civil judgments in
15 this state. The Administrator may file an application to enforce an
16 administrative order or settlement agreement imposing a civil
17 penalty in the district court of Oklahoma County.

18 SECTION 27. AMENDATORY 59 O.S. 2001, Section 2011, is
19 amended to read as follows:

20 Section 2011. There is hereby created in the State Treasury a
21 revolving fund for the Commission on Consumer Credit to be
22 designated the "Health Spa Revolving Fund". The fund shall be a
23 continuing fund, not subject to fiscal year limitations, and shall
24 consist of ~~registration and annual renewal fees provided for in~~

1 ~~Section 2002 of Title 59 of the Oklahoma Statutes~~ all fees and civil
2 penalties provided for in the Oklahoma Health Spa Act. All monies
3 accruing to the credit of said fund are hereby appropriated and may
4 be budgeted and expended by the Department of Consumer Credit for
5 the operating expenses of the Department and for the administration
6 of the Oklahoma Health Spa Act. Expenditures from said fund shall
7 be made upon warrants issued by the State Treasurer against claims
8 filed as prescribed by law with the Director of State Finance for
9 approval and payment.

10 SECTION 28. AMENDATORY Section 6, Chapter 190, O.S.L.
11 2009 (59 O.S. Supp. 2009, Section 2095.3), is amended to read as
12 follows:

13 Section 2095.3 The following are exempt from all provisions of
14 the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act:

15 1. Registered mortgage loan originators, when acting for an
16 entity described in divisions (1), (2) and (3) of subparagraph a of
17 paragraph 17 of Section ~~5~~ 2095.2 of this ~~act~~ title;

18 2. An individual who offers or negotiates or modifies terms of
19 a residential mortgage loan with or on behalf of an immediate family
20 member of the individual;

21 3. An individual who offers or negotiates or modifies terms of
22 a residential mortgage loan secured by a dwelling that served as the
23 individual's residence; ~~or~~

24

1 4. A licensed attorney who negotiates or modifies the terms of
2 a residential mortgage loan on behalf of a client as an ancillary
3 matter to the attorney's representation of the client, unless the
4 attorney is compensated by a lender, a mortgage broker or other
5 mortgage loan originator or by any agent of such lender, mortgage
6 broker, or other mortgage loan originator; or

7 5. Entities described in divisions (1), (2) and (3) of
8 subparagraph a of paragraph 17 of Section 2095.2 of this title.

9 SECTION 29. AMENDATORY Section 8, Chapter 190, O.S.L.
10 2009 (59 O.S. Supp. 2009, Section 2095.5), is amended to read as
11 follows:

12 Section 2095.5 A. 1. An entity or individual, unless
13 specifically exempted from the Oklahoma Secure and Fair Enforcement
14 for Mortgage Licensing Act, as provided in Section ~~6~~ 2095.3 of this
15 ~~act~~ title, shall not engage in the business of a mortgage broker or
16 mortgage loan originator with respect to any dwelling located in
17 this state without first obtaining and maintaining annually a
18 license under ~~this act~~ the Oklahoma Secure and Fair Enforcement for
19 Mortgage Licensing Act. Each licensed mortgage broker ~~or~~ and
20 mortgage loan originator must register with and maintain a valid
21 unique identifier issued by the Nationwide Mortgage Licensing System
22 and Registry.

23 2. In order to facilitate an orderly transition to licensing
24 and minimize disruption in the mortgage marketplace, the effective

1 date for licensing all entities and individuals as provided in this
2 subsection, including those currently licensed as mortgage brokers
3 or mortgage loan originators, shall be July 31, 2010, or such later
4 date approved by the Secretary of the U.S. Department of Housing and
5 Urban Development, pursuant to the authority granted under 12
6 U.S.C., Section 5107.

7 B. A loan processor or underwriter who is an independent
8 contractor may not engage in the activities of a loan processor or
9 underwriter unless such independent contractor loan processor or
10 underwriter obtains and maintains a license as required by ~~this act~~
11 the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act.

12 Each independent contractor loan processor or underwriter licensed
13 as a mortgage broker or mortgage loan originator must have and
14 maintain a valid unique identifier issued by the Nationwide Mortgage
15 Licensing System and Registry.

16 C. For the purposes of implementing an orderly and efficient
17 licensing process, the Administrator of Consumer Credit may
18 establish licensing rules, upon approval by the Commission, and the
19 Administrator may establish interim procedures for licensing and
20 acceptance of applications. For previously registered or licensed
21 entities or individuals, the Administrator may establish expedited
22 review and licensing procedures.

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1 SECTION 30. AMENDATORY Section 9, Chapter 190, O.S.L.
2 2009 (59 O.S. Supp. 2009, Section 2095.6), is amended to read as
3 follows:

4 Section 2095.6 A. Applicants for a license shall apply on a
5 form as prescribed by the Administrator of Consumer Credit.

6 B. In order to fulfill the purposes of ~~this act~~ the Oklahoma
7 Secure and Fair Enforcement for Mortgage Licensing Act, the
8 Administrator is authorized to establish relationships or contracts
9 with the Nationwide Mortgage Licensing System and Registry or other
10 entities designated by the Nationwide Mortgage Licensing System and
11 Registry to collect and maintain records and process transaction
12 fees or other fees related to licensees or other entities or
13 individuals subject to ~~this act~~ the Oklahoma Secure and Fair
14 Enforcement for Mortgage Licensing Act.

15 C. In connection with an application for licensing as a
16 mortgage loan originator, the applicant shall, at a minimum, furnish
17 to the Nationwide Mortgage Licensing System and Registry information
18 concerning the applicant's identity including:

19 1. Fingerprints for submission to the Federal Bureau of
20 Investigation and any governmental agency or entity authorized to
21 receive such information for a state, national and international
22 criminal history background check; and

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24

1 2. Personal history and experience in a form prescribed by the
2 Nationwide Mortgage Licensing System and Registry and the
3 Administrator to obtain:

4 a. an independent credit report obtained from a consumer
5 reporting agency defined in 15 U.S.C., Section
6 1681a(p), and

7 b. information related to any administrative, civil or
8 criminal findings by any governmental jurisdiction.

9 D. In connection with an application for licensing as a
10 mortgage broker, the applicant shall, at a minimum, furnish to the
11 Nationwide Mortgage Licensing System and Registry information
12 concerning each owner, officer, director or partner, as applicable
13 including:

14 1. Fingerprints for submission to the Federal Bureau of
15 Investigation and any governmental agency or entity authorized to
16 receive such information for a state, national and international
17 criminal history background check; and

18 2. Personal history and experience in a form prescribed by the
19 Nationwide Mortgage Licensing System and Registry and the
20 Administrator to obtain:

21 a. an independent credit report obtained from a consumer
22 reporting agency described in 15 U.S.C., Section
23 1681a(p), and
24

1 b. information related to any administrative, civil or
2 criminal findings by any governmental jurisdiction.

3 E. For purposes of this section and, in order to reduce points
4 of contact which the Federal Bureau of Investigation may have to
5 maintain for purposes of paragraph 1 and subparagraph b of paragraph
6 2 of subsection D of this section, the Administrator may use the
7 Nationwide Mortgage Licensing System and Registry as a channeling
8 agent for requesting information from and distributing information
9 to the Department of Justice or any governmental agency.

10 F. For the purposes of this section and in order to reduce the
11 points of contact which the Administrator may have to maintain for
12 purposes of subparagraphs a and b of paragraph 2 of subsection D of
13 this section, the Administrator may use the Nationwide Mortgage
14 Licensing System and Registry as a channeling agent for requesting
15 and distributing information to and from any source so directed by
16 the Administrator.

17 G. A license issued under ~~this act~~ the Oklahoma Secure and Fair
18 Enforcement for Mortgage Licensing Act shall be valid for a period
19 of one (1) year, unless otherwise revoked or suspended by the
20 Administrator as provided in ~~this act~~ the Oklahoma Secure and Fair
21 Enforcement for Mortgage Licensing Act.

22 H. The Administrator, on determining that the applicant is
23 qualified and upon payment of the fees by the applicant, shall issue
24 a license to the applicant. An applicant who has been denied a

1 license may not reapply for the license for sixty (60) days from the
2 date of the previous application.

3 I. A licensee shall pay the renewal fee on or before December

4 1. If the license is not renewed by December 1, the licensee shall
5 pay a renewal fee that is double the amount of the license.

6 Licenses not renewed by December 31 shall expire and the licensee
7 shall not act as a mortgage broker or mortgage loan originator until
8 a new license is issued pursuant to ~~this act~~ the Oklahoma Secure and
9 Fair Enforcement for Mortgage Licensing Act. A license shall not be
10 granted to the holder of an expired license except as provided in
11 ~~this act~~ the Oklahoma Secure and Fair Enforcement for Mortgage
12 Licensing Act for the issuance of an original license.

13 J. On or before December 31, a licensee may request inactive
14 status for the following license year and the license shall be
15 placed on inactive status after payment to the Administrator of the
16 inactive status renewal fee prescribed in this section and the
17 surrender of the license to the Administrator. During inactive
18 status, an inactive license shall not act as a mortgage broker or
19 mortgage loan originator. A licensee may not be on inactive status
20 for more than two (2) consecutive years, nor for more than four (4)
21 years in any ten-year period. The license is deemed expired for
22 violation of any of the limitations of this subsection.

23 K. An inactive licensee may return to active status
24 notwithstanding the requirements of this section by making a request

1 in writing to the Administrator for reactivation and paying the
2 prorated portion of the annual fee that would have been charged to
3 the licensee to maintain normal active status. The licensee shall
4 also provide the Administrator with proof that the licensee meets
5 all of the other requirements for acting as a mortgage broker or
6 mortgage loan originator, including any applicable education and
7 testing requirements.

8 L. A licensee shall prominently display the mortgage broker or
9 mortgage loan originator license in the office of the mortgage
10 broker or mortgage loan originator and any branch office of the
11 mortgage broker.

12 M. 1. Initial and renewal license fees shall be ~~One Hundred~~
13 ~~Dollars (\$100.00) for each year~~ as prescribed by rule of the
14 Commission on Consumer Credit;

15 2. A late renewal fee shall be ~~Two Hundred Dollars (\$200.00)~~ as
16 prescribed by rule of the Commission on Consumer Credit;

17 3. Branch office fees shall be ~~Fifty Dollars (\$50.00)~~ as
18 prescribed by rule of the Commission on Consumer Credit for each
19 year;

20 4. Inactive status fees shall be ~~Fifty Dollars (\$50.00)~~ as
21 prescribed by rule of the Commission on Consumer Credit for each
22 year;

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1 5. A fee of ~~Twenty five Dollars (\$25.00)~~ as prescribed by rule
2 of the Commission on Consumer Credit shall be charged for each
3 license change, duplicate license or returned check;

4 6. A fee of ~~Fifty Dollars (\$50.00)~~ as prescribed by rule of the
5 Commission on Consumer Credit shall be paid by applicants and
6 licensees into the Oklahoma Mortgage Broker and Mortgage Loan
7 Originator Recovery Fund as provided for in Section ~~23~~ 2095.20 of
8 this ~~act~~ title for each initial application and each renewal
9 application; ~~and~~

10 7. An examination fee shall be ~~Three Hundred Dollars (\$300.00)~~
11 ~~unless an additional fee is required in accordance with subsection C~~
12 ~~of Section 26 of this act~~ as prescribed by rule of the Commission on
13 Consumer Credit; and

14 8. An application fee shall be as prescribed by rule of the
15 Commission on Consumer Credit.

16 SECTION 31. AMENDATORY Section 10, Chapter 190, O.S.L.
17 2009 (59 O.S. Supp. 2009, Section 2095.7), is amended to read as
18 follows:

19 Section 2095.7 The Administrator of Consumer Credit shall not
20 issue a mortgage loan originator license unless the Administrator
21 makes at a minimum the following findings:

22 1. The applicant has never had a mortgage loan originator
23 license revoked in any governmental jurisdiction, except that a
24

1 subsequent formal vacation of such revocation shall not be deemed a
2 revocation;

3 2. The applicant has not been convicted of, or pled guilty or
4 nolo contendere to a felony in a domestic, foreign or military
5 court:

- 6 a. during the seven-year period preceding the date of the
7 application for licensing and registration, or
- 8 b. at any time preceding such date of application, if
9 such felony involved an act of fraud, dishonesty, a
10 breach of trust or money laundering.

11 Provided, that any pardon of a conviction shall not be a
12 conviction for purposes of this paragraph;

13 3. The applicant has demonstrated financial responsibility,
14 character and general fitness such as to command the confidence of
15 the community and to warrant a determination that the mortgage loan
16 originator will operate honestly, fairly and efficiently within the
17 purposes of ~~this act~~ the Oklahoma Secure and Fair Enforcement for
18 Mortgage Licensing Act. For purposes of this paragraph, an
19 individual has shown that he or she is not financially responsible
20 when he or she has shown a disregard in the management of his or her
21 own financial condition. A determination that an individual has not
22 shown financial responsibility may include, but not be limited to:

- 23 a. current outstanding judgments, except judgments solely
24 as a result of medical expenses,

- 1 b. current outstanding tax liens or other government
2 liens and filings,
3 c. foreclosures within the past three (3) years, or
4 d. pattern of seriously delinquent accounts within the
5 past three (3) years;

6 4. The applicant has completed the prelicensing education
7 requirement described in Section ~~11~~ 2095.8 of this ~~act~~ title;

8 5. The applicant has passed a written test that meets the test
9 requirement described in Section ~~12~~ 2095.9 of this ~~act~~ title; and

10 6. The applicant has paid into the Oklahoma Mortgage Broker and
11 Mortgage Loan Originator Recovery Fund as required by paragraph 6 of
12 subsection M of Section ~~9~~ 2095.6 of this ~~act~~ title; and

13 7. The applicant is sponsored by a licensed mortgage broker.
14 The Administrator of Consumer Credit may promulgate administrative
15 rules, subject to approval of the Commission on Consumer Credit, to
16 implement sponsorship procedures and requirements.

17 SECTION 32. AMENDATORY Section 19, Chapter 190, O.S.L.
18 2009 (59 O.S. Supp. 2009, Section 2095.16), is amended to read as
19 follows:

20 Section 2095.16 A. A mortgage broker or mortgage loan
21 originator shall deposit, prior to the end of the next business day,
22 all monies received from borrowers for third-party provider services
23 in a trust account of a federally insured financial institution
24 ~~located in this state.~~ The trust account shall be designated and

1 maintained for the benefit of borrowers. Monies maintained in the
2 trust account shall be exempt from execution, attachment, or
3 garnishment. A mortgage broker or mortgage loan originator shall
4 not in any way encumber the corpus of the trust account or commingle
5 any other operating funds with trust account funds.

6 B. Withdrawals from the trust account shall be only for the
7 payment of bona fide services rendered by a third-party provider or
8 for refunds to borrowers. Any interest earned on the trust account
9 shall be refunded or credited to the borrowers at closing. Any
10 monies remaining in the trust account after payment to third-party
11 providers shall be refunded to the borrower.

12 C. The mortgage broker or mortgage loan originator shall pay
13 third-party providers no later than thirty (30) days after
14 completion of the third-party service.

15 D. A mortgage broker or mortgage loan originator shall maintain
16 accurate, current, and readily available records of the trust
17 account until at least three (3) years have elapsed following the
18 effective period to which the records relate. The records shall be
19 subject to audit by the Administrator of Consumer Credit pursuant to
20 an examination or investigation.

21 E. The provisions of this section shall not apply to a
22 depository institution as defined in Section 5 2095.2 of this act
23 title, its subsidiaries and affiliates or any employee or exclusive
24 agent thereof.

1 SECTION 33. AMENDATORY Section 20, Chapter 190, O.S.L.
2 2009 (59 O.S. Supp. 2009, Section 2095.17), is amended to read as
3 follows:

4 Section 2095.17 A. In order to ensure the effective
5 supervision and enforcement of ~~this act~~ the Oklahoma Secure and Fair
6 Enforcement for Mortgage Licensing Act, the Administrator of
7 Consumer Credit or an independent hearing examiner may, after notice
8 and hearing pursuant to Article II of the Administrative Procedures
9 Act, impose any or any combination of the following penalties:

10 1. Deny, suspend, revoke, censure, place on probation or
11 decline to renew a license for a violation of ~~this act~~ the Oklahoma
12 Secure and Fair Enforcement for Mortgage Licensing Act, any rules
13 promulgated pursuant to ~~this act~~ the Oklahoma Secure and Fair
14 Enforcement for Mortgage Licensing Act and any order of the
15 Administrator or an independent hearing examiner issued pursuant to
16 ~~this act~~ the Oklahoma Secure and Fair Enforcement for Mortgage
17 Licensing Act;

18 2. Deny, suspend, revoke, censure, place on probation or
19 decline to renew a license if an applicant or licensee fails at any
20 time to meet the requirements of this act or withholds information
21 or makes a material misstatement in an application for a license or
22 renewal of a license;

23 3. Order restitution against entities or individuals subject to
24 ~~this act~~ the Oklahoma Secure and Fair Enforcement for Mortgage

1 Licensing Act for violations of ~~this act~~ the Oklahoma Secure and
2 Fair Enforcement for Mortgage Licensing Act; or

3 4. Issue orders or directives under ~~this act~~ the Oklahoma
4 Secure and Fair Enforcement for Mortgage Licensing Act as follows:

5 a. order or direct entities or individuals subject to
6 ~~this act~~ the Oklahoma Secure and Fair Enforcement for
7 Mortgage Licensing Act to cease and desist from
8 conducting business, including immediate temporary
9 orders to cease and desist,

10 b. order or direct entities or individuals subject to
11 ~~this act~~ the Oklahoma Secure and Fair Enforcement for
12 Mortgage Licensing Act to cease any harmful activities
13 or violations of ~~this act~~ the Oklahoma Secure and Fair
14 Enforcement for Mortgage Licensing Act, including
15 immediate temporary orders to cease and desist,

16 c. enter immediate temporary orders to cease business
17 under a license issued pursuant to the authority of
18 ~~this act~~ the Oklahoma Secure and Fair Enforcement for
19 Mortgage Licensing Act if the Administrator or an
20 independent hearing examiner determines that such
21 license was erroneously granted or the licensee is
22 currently in violation of ~~this act~~ the Oklahoma Secure
23 and Fair Enforcement for Mortgage Licensing Act,

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- 1 d. order or direct such other affirmative action as the
2 Administrator or an independent hearing examiner deems
3 necessary, or
- 4 e. impose a civil penalty of not less than One Hundred
5 Dollars (\$100.00) nor more than Two Thousand Five
6 Hundred Dollars (\$2,500.00) for each violation of ~~this~~
7 ~~act~~ the Oklahoma Secure and Fair Enforcement for
8 Mortgage Licensing Act against a licensee or any other
9 entity or individual subject to ~~this act~~ the Oklahoma
10 Secure and Fair Enforcement for Mortgage Licensing
11 Act, not to exceed Five Thousand Dollars (\$5,000.00)
12 for all violations resulting from a single incident or
13 transaction.

14 B. Any immediate temporary order to cease and desist issued
15 pursuant to this act shall comply with the requirements for
16 emergency orders under Article II of the Administrative Procedures
17 Act.

18 C. Any administrative order or settlement agreement imposing a
19 civil penalty pursuant to this section may be enforced in the same
20 manner as civil judgments in this state. The Administrator may file
21 an application to enforce an administrative order or settlement
22 agreement imposing a civil penalty in the district court of Oklahoma
23 County.

1 SECTION 34. AMENDATORY Section 26, Chapter 190, O.S.L.
2 2009 (59 O.S. Supp. 2009, Section 2095.23), is amended to read as
3 follows:

4 Section 2095.23 A. In addition to any authority allowed under
5 ~~this act~~ the Oklahoma Secure and Fair Enforcement for Mortgage
6 Licensing Act, the Administrator of Consumer Credit shall have the
7 authority to conduct investigations and examinations of the
8 following:

9 1. Criminal, civil and administrative history information,
10 including nonconviction data;

11 2. Personal history and experience information including
12 independent credit reports obtained from a consumer reporting agency
13 described in 15 U.S.C., Section 1681a(p); and

14 3. Any other documents, information or evidence the
15 Administrator deems relevant to the inquiry or investigation
16 regardless of the location, possession, control or custody of such
17 documents, information or evidence.

18 B. For the purposes of investigating violations or complaints
19 arising under ~~this act~~ the Oklahoma Secure and Fair Enforcement for
20 Mortgage Licensing Act or for the purposes of examination, the
21 Administrator may review, investigate or examine any licensee or
22 entity or individual subject to ~~this act~~ the Oklahoma Secure and
23 Fair Enforcement for Mortgage Licensing Act, as often as necessary
24 in order to carry out the purposes of ~~this act~~ the Oklahoma Secure

1 and Fair Enforcement for Mortgage Licensing Act. The Administrator
2 may direct, subpoena or order the attendance of and examine under
3 oath all individuals whose testimony may be required about the loans
4 or the business or subject matter of any such examination or
5 investigation and may direct, subpoena or order such individual to
6 produce books, accounts, records, files and any other documents the
7 Administrator deems relevant to the inquiry. Any examination or
8 investigation report and any information obtained during an
9 examination or investigation shall not be subject to disclosure
10 under the Oklahoma Open Records Act. However, any examination or
11 investigation report and any information obtained during an
12 examination or investigation shall be subject to disclosure pursuant
13 to a court order and may also be disclosed in an individual
14 proceeding and any order issued pursuant to ~~this act~~ the Oklahoma
15 Secure and Fair Enforcement for Mortgage Licensing Act.

16 C. The Administrator may require payment of an examination fee
17 either at the time of initial application, renewal of the license or
18 after an examination has been conducted. The examination fee shall
19 ~~be in accordance with the provisions of paragraph 7 of subsection M~~
20 ~~of Section 9 of this act. If a licensee has more than one location,~~
21 ~~the examination fee shall be Three Hundred Dollars (\$300.00) for~~
22 ~~each location. If an examination exceeds eight (8) hours, the~~
23 ~~Administrator shall charge the licensee an additional Fifty Dollars~~
24 ~~(\$50.00) per hour for each examiner required to complete the~~

1 ~~examination; provided, further, that the Administrator may waive the~~
2 ~~examination fee for any examination which takes one (1) hour or~~
3 ~~less. If an examination fee is due and is not paid on completion of~~
4 ~~an examination, the Administrator shall bill the licensee, and there~~
5 ~~shall be a late fee of Fifty Dollars (\$50.00) if the amount due is~~
6 ~~not received within thirty (30) days of the invoice date prescribed~~
7 ~~by rule of the Commission on Consumer Credit.~~

8 D. Each licensee or entities or individuals subject to this act
9 shall make available to the Administrator, upon request, any books
10 and records relating to the requirements of ~~this act~~ the Oklahoma
11 Secure and Fair Enforcement for Mortgage Licensing Act. The
12 Administrator shall have access to such books and records and
13 interview the officers, principals, mortgage loan originators,
14 employees, independent contractors, agents and customers of the
15 licensee, entity or individual subject to this act concerning the
16 requirements of ~~this act~~ the Oklahoma Secure and Fair Enforcement
17 for Mortgage Licensing Act. Books and records shall be maintained
18 for a period of time required by rule of the Administrator.

19 E. Each licensee or entity or individual subject to ~~this act~~
20 the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act
21 shall make or compile reports or prepare other information as
22 directed by the Administrator in order to carry out the purposes of
23 this section including, but not limited to:

24 1. Accounting compilations;

1 2. Information lists and data concerning loan transactions in a
2 format prescribed by the Administrator; or

3 3. Such other information deemed necessary to carry out the
4 purposes of this section.

5 F. In making any examination or investigation authorized by
6 ~~this act~~ the Oklahoma Secure and Fair Enforcement for Mortgage
7 Licensing Act, the Administrator may control access to any documents
8 and records of the licensee or entity or individual under
9 examination or investigation. The Administrator may take possession
10 of the documents and records or place an entity or individual in
11 exclusive charge of the documents and records in the place where
12 they are usually kept. During the period of control, no entity or
13 individual shall remove or attempt to remove any of the documents
14 and records except pursuant to a court order or with the consent of
15 the Administrator. Unless the Administrator has reasonable grounds
16 to believe the documents or records of the licensee have been, or
17 are at risk of being altered or destroyed for purposes of concealing
18 a violation of ~~this act~~ the Oklahoma Secure and Fair Enforcement for
19 Mortgage Licensing Act, the licensee or owner of the documents and
20 records shall have access to the documents or records as necessary
21 to conduct its ordinary business affairs.

22 G. In order to carry out the purposes of this section, the
23 Administrator may:

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1 1. Retain attorneys, accountants, or other professionals and
2 specialists as examiners, auditors or investigators to conduct or
3 assist in the conduct of examinations or investigations;

4 2. Enter into agreements or relationships with other government
5 officials or regulatory associations in order to improve
6 efficiencies and reduce regulatory burden by sharing resources,
7 standardized or uniform methods or procedures and documents,
8 records, information or evidence obtained under this section;

9 3. Use, hire, contract or employ public or privately available
10 analytical systems, methods or software to examine or investigate
11 the licensee, entity or individual subject to ~~this act~~ the Oklahoma
12 Secure and Fair Enforcement for Mortgage Licensing Act;

13 4. Accept and rely on examination or investigation reports made
14 by other government officials, within or without this state; or

15 5. Accept audit reports made by an independent certified public
16 accountant for the licensee or entity or individual subject to this
17 act in the course of that part of the examination covering the same
18 general subject matter as the audit and may incorporate the audit
19 report in the report of the examination, report of investigation or
20 other writing of the Administrator.

21 H. The authority of this section shall remain in effect,
22 whether such a licensee or entity or individual subject to ~~this act~~
23 the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act

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1 acts or claims to act under any licensing or registration law of
2 this state or claims to act without such authority.

3 I. No licensee or entity or individual subject to investigation
4 or examination under this section may knowingly withhold, abstract,
5 remove, mutilate, destroy or secrete any books, records, computer
6 records or other information.

7 SECTION 35. AMENDATORY Section 13, Chapter 240, O.S.L.
8 2003 (59 O.S. Supp. 2009, Section 3113), is amended to read as
9 follows:

10 Section 3113. A. To qualify for a license issued pursuant to
11 ~~this act~~ the Deferred Deposit Lending Act, an applicant shall have:

12 1. A minimum net worth, determined in accordance with generally
13 accepted accounting principles, of at least Twenty-five Thousand
14 Dollars (\$25,000.00) available for operation of each licensed
15 location, with a maximum aggregate net worth requirement of Two
16 Hundred Fifty Thousand Dollars (\$250,000.00) for an owner of
17 multiple locations; and

18 2. The financial responsibility, character, experience and
19 general fitness so as to command the confidence of the public and to
20 warrant the belief that the business will be operated lawfully,
21 honestly, fairly and efficiently.

22 B. An application for a license pursuant to this act must be in
23 writing, under oath, and on a form prescribed by the Administrator
24

1 of Consumer Credit. The application must set forth all of the
2 following:

3 1. The legal name and residence and business addresses of the
4 applicant and, if the applicant is a partnership, association or
5 corporation, of every member, officer, managing employee and
6 director of it;

7 2. The location of the registered office of the applicant;

8 3. The registered agent of the applicant if the applicant is
9 required by other law to have a registered agent;

10 4. The addresses of the locations to be licensed; and

11 5. Other information concerning the financial responsibility,
12 background, experience and activities, such as other partnerships,
13 associations and corporations located at or adjacent to the licensed
14 location of the applicant and its members, officers, managing
15 employees and directors as the Administrator may require.

16 C. On receipt of an application in the form prescribed by the
17 Administrator and accompanied by the required license fee, the
18 Administrator shall investigate whether the qualifications for
19 license are satisfied. If the Administrator finds that the
20 qualifications are satisfied, the Administrator shall issue to the
21 applicant a license to engage in the business of making deferred
22 deposit loans. If the Administrator fails to issue a license, the
23 Administrator shall notify the applicant of the denial and the

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1 reasons for the denial. The provisions of the Administrative
2 Procedures Act shall apply to the appeal of the denial of a license.

3 D. Each application, regardless of the number of locations to
4 be operated by a single licensee, must be accompanied by payment of
5 an application fee ~~of Two Hundred Fifty Dollars (\$250.00)~~ as
6 prescribed by rule of the Commission on Consumer Credit and an
7 investigation fee ~~of Five Hundred Dollars (\$500.00)~~ as prescribed by
8 rule of the Commission on Consumer Credit. These fees shall not be
9 refundable or abatable. If the license is granted, however, payment
10 of the application fee shall satisfy the fee requirement for the
11 first license year or its remainder.

12 E. Each license shall remain in full force and effect until
13 relinquished, suspended, revoked or expired. A license expires
14 annually and may be renewed on payment ~~of a license fee of Two~~
15 ~~Hundred Fifty Dollars (\$250.00)~~ as prescribed by rule of the
16 Commission on Consumer Credit. The annual license renewal fee for
17 an application with more than one location shall be ~~Two Hundred~~
18 ~~Fifty Dollars (\$250.00)~~ as prescribed by rule of the Commission on
19 Consumer Credit for each location.

20 F. The Commission on Consumer Credit shall prescribe by rule a
21 fee for each license change, duplicate license or returned check.

22 G. The Commission on Consumer Credit shall prescribe by rule a
23 late fee if a license is not renewed on or before the expiration of
24 the license.

1 SECTION 36. AMENDATORY Section 17, Chapter 240, O.S.L.
2 2003 (59 O.S. Supp. 2009, Section 3117), is amended to read as
3 follows:

4 Section 3117. A. The Administrator of Consumer Credit or an
5 independent hearing examiner may order and impose civil penalties
6 upon a person subject to the provisions of ~~this act~~ the Deferred
7 Deposit Lending Act for violations of this act or the rules
8 promulgated to implement ~~this act~~ the Deferred Deposit Lending Act
9 in an amount not to exceed ~~One Thousand Dollars (\$1,000.00)~~ per
10 violation Five Thousand Dollars (\$5,000.00) for all violations
11 resulting from a single incident or transaction. The Administrator
12 or an independent hearing examiner may also order repayment of
13 unlawful or excessive fees charged to debtors.

14 B. Any administrative order or settlement agreement imposing a
15 civil penalty pursuant to this section may be enforced in the same
16 manner as civil judgments in this state. The Administrator may file
17 an application to enforce an administrative order or settlement
18 agreement imposing a civil penalty in the district court of Oklahoma
19 County.

20 SECTION 37. REPEALER 59 O.S. 2001, Section 1956, is
21 hereby repealed.

22 SECTION 38. This act shall become effective July 1, 2010.

23 SECTION 39. It being immediately necessary for the preservation
24 of the public peace, health and safety, an emergency is hereby

1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.

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