

1 consumer credit sale or consumer lease the information required by
2 the Federal Consumer Credit Protection Act as defined in Section 1-
3 302 of Title 14A of the Oklahoma Statutes.

4 SECTION 2. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 3-301.1 of Title 14A, unless
6 there is created a duplication in numbering, reads as follows:

7 Effective July 1, 2014, the lender shall disclose to the debtor
8 to whom credit is extended with respect to a consumer loan the
9 information required by the Federal Consumer Credit Protection Act
10 as defined in Section 1-302 of Title 14A of the Oklahoma Statutes.

11 SECTION 3. AMENDATORY 14A O.S. 2011, Section 6-104, is
12 amended to read as follows:

13 Section 6-104. (1) In addition to other powers granted by this
14 title, the Administrator may, within the limitations provided by
15 law:

- 16 (a) receive and act on complaints, take action designed to
17 obtain voluntary compliance with this title, or
18 commence proceedings on the Administrator's own
19 initiative,
- 20 (b) counsel persons and groups on their rights and duties
21 under this title,
- 22 (c) establish programs for the education of consumers with
23 respect to credit practices and problems,

24

1 (d) make studies appropriate to effectuate the purposes
2 and policies of this title and make the results
3 available to the public, ~~and~~

4 (e) with commission approval adopt, amend, and repeal
5 substantive rules when specifically authorized by this
6 title, and adopt, amend, and repeal procedural rules
7 to carry out the provisions of this title, all as
8 provided by the Administrative Procedures Act, and

9 (f) enforce the disclosure provisions of the Federal
10 Consumer Credit Protection Act as defined in Section
11 1-302 of Title 14A of the Oklahoma Statutes.

12 ~~(2) The Administrator shall adopt rules not inconsistent with~~
13 ~~the Federal Consumer Credit Protection Act, 15 U.S.C., Section 601~~
14 ~~et seq., to assure a meaningful disclosure of terms so that~~
15 ~~prospective debtors or lessees will be able to compare more readily~~
16 ~~the various terms available to them and to avoid the uninformed use~~
17 ~~of credit. These rules may supersede any provisions of this title~~
18 ~~which are inconsistent with the Federal Consumer Credit Protection~~
19 ~~Act and may contain classifications, differentiations or other~~
20 ~~provisions, and may provide for adjustments and exceptions for any~~
21 ~~class of transactions subject to this title which in the judgment of~~
22 ~~the Administrator are necessary or proper to effectuate the purposes~~
23 ~~or to prevent circumvention or evasion of, or to facilitate~~
24 ~~compliance with, the provisions of this title relating to disclosure~~

1 ~~of terms. The Administrator also shall publish model disclosure~~
2 ~~forms and clauses for common transactions to facilitate compliance~~
3 ~~with the disclosure requirements of this title and to aid the buyer,~~
4 ~~debtor or lessee in understanding the transaction by utilizing~~
5 ~~readily understandable language to simplify the technical nature of~~
6 ~~the disclosures. In devising the forms, consideration of the use by~~
7 ~~creditors or lessors of data processing or similar automated~~
8 ~~equipment shall be given. No creditor or lessor need use any model~~
9 ~~form or clause published by the Administrator. Any rule of the~~
10 ~~Administrator or amendment requiring any disclosure which differs~~
11 ~~from a disclosure previously required shall have an effective date~~
12 ~~of that October 1 which follows by at least six (6) months the date~~
13 ~~of promulgation, except that the Administrator may lengthen the~~
14 ~~period to facilitate creditors or lessors adjusting forms to~~
15 ~~accommodate new or changed requirements or shorten the period when~~
16 ~~the Administrator makes a specific finding that such action is~~
17 ~~necessary to comply with the findings of a court or to prevent~~
18 ~~unfair or deceptive disclosure practices. A creditor or lessor may,~~
19 ~~in accordance with any guidelines of the Administrator, comply with~~
20 ~~a newly promulgated disclosure requirement prior to its effective~~
21 ~~date.~~

22 ~~(3) To keep the Administrator's rules in harmony with the~~
23 ~~Federal Consumer Credit Protection Act and the regulations~~
24 ~~prescribed from time to time pursuant to that Act by the Board of~~

1 ~~Governors of the Federal Reserve System and with the rules of~~
2 ~~administrators in other jurisdictions which enact the Uniform~~
3 ~~Consumer Credit Code, the Administrator, so far as is consistent~~
4 ~~with the purposes, policies and provisions of this title, shall:~~

- 5 ~~(a) before adopting, amending, and repealing rules, advise~~
6 ~~and consult with administrators in other jurisdictions~~
7 ~~which enact the Uniform Consumer Credit Code, and~~
- 8 ~~(b) in adopting, amending, and repealing rules, take into~~
9 ~~consideration:~~

- 10 ~~(i) the regulations so prescribed by the Board of~~
11 ~~Governors of the Federal Reserve System, and~~

- 12 ~~(ii) the rules of administrators in other~~
13 ~~jurisdictions which enact the Uniform Consumer~~
14 ~~Credit Code.~~

15 ~~(4)~~ Except for refund of an excess charge, no liability is
16 imposed under this title for an act done or omitted in conformity
17 with a rule of the Administrator or written opinion of the
18 Administrator stating rights and duties issued on the
19 Administrator's own motion or in response to a request under
20 paragraph (b) of subsection (1) of this section notwithstanding that
21 after the act or omission the rule or opinion may be amended or
22 repealed or be determined by judicial or other authority to be
23 invalid for any reason. ~~A creditor or lessor shall be deemed to be~~
24 ~~in compliance with the disclosure provisions of this title with~~

1 ~~respect to other than numerical disclosures if the creditor or~~
2 ~~lessor uses any appropriate model form or clause as published by the~~
3 ~~Administrator or uses any model form or clause and changes it by~~
4 ~~deleting any information not required by this title or rearranging~~
5 ~~the format if in doing so the substance, clarity or meaningful~~
6 ~~sequence of the disclosure is not affected.~~ The opinions of the
7 Administrator shall be compiled and published no less often than
8 annually.

9 ~~(5)~~ (3) The Administrator shall report annually on or before
10 January 1 to the Governor and Legislature on the operation of the
11 Administrator's office, on the use of consumer credit in the state,
12 and on the problems of persons of small means obtaining credit from
13 persons regularly engaged in extending sales or loan credit. For
14 the purpose of making the report, the Administrator is authorized to
15 conduct research and make appropriate studies. The report shall
16 include a description of the examination and investigation
17 procedures and policies of the Administrator's office, a statement
18 of policies followed in deciding whether to investigate or examine
19 the offices of credit suppliers subject to this title, a statement
20 of the number and percentages of offices which are periodically
21 investigated or examined, a statement of the types of consumer
22 credit problems of both creditors and debtors which have come to
23 the Administrator's attention through examinations and
24 investigations and the disposition of them under existing law, a

1 ~~statement of the extent to which the rules of the Administrator~~
2 ~~pursuant to this title are not in harmony with the regulations~~
3 ~~prescribed by the Board of Governors of the Federal Reserve System~~
4 ~~pursuant to the Federal Consumer Credit Protection Act or the rules~~
5 ~~of administrators in other jurisdictions which enact the Uniform~~
6 ~~Consumer Credit Code and the reasons for such variations,~~ and a
7 general statement of the activities of the Administrator's office
8 and of others to promote the purposes of this title. The report
9 shall not identify the creditors against whom action is taken by the
10 Administrator.

11 ~~(6)~~ (4) The Administrator shall have the authority to adopt
12 rules, not inconsistent with the provisions of this title, to limit
13 the amount of the additional charges that lenders are permitted to
14 impose under subsections (1) and (2) of Section 3-202 of this title
15 and Section 3-203.2 of this title, or to limit the amount of
16 deferral charges that sellers and lenders may impose under
17 subsections (2) and (3) of Section 2-204 of this title and
18 subsections (2) and (3) of Section 3-204 of this title. The
19 Administrator shall:

20 (a) in promulgating, amending or repealing rules pursuant
21 to this section, take into consideration whether
22 limits on the additional charges permitted under
23 subsections (1) and (2) of Section 3-202 of this title
24 and Section 3-203.2 of this title, or limits on

1 deferral charges that sellers and lenders may impose
2 under subsections (2) and (3) of Section 2-204 of this
3 title and subsections (2) and (3) of Section 3-204 of
4 this title, would:

5 (i) place lenders located in this state at a
6 competitive disadvantage, with respect to the
7 additional charges, as compared to out-of-state
8 credit card lenders or place sellers and lenders
9 in this state at a competitive disadvantage with
10 respect to the deferral charges, as compared to
11 out-of-state sellers and lenders,

12 (ii) require sellers or lenders located in this state
13 to impose higher finance charges, or

14 (iii) impede the growth of consumer credit sales or the
15 consumer lending industry in this state, and

16 (b) adopt rules limiting the dollar amounts of the
17 additional charges permitted under subsections (1) and
18 (2) of Section 3-202 of this title and Section 3-203.2
19 of this title, or the deferral charges permitted under
20 subsections (2) and (3) of Section 2-204 of this title
21 and subsections (2) and (3) of Section 3-204 of this
22 title, in the event that the Administrator determines
23 that such limits are necessary to protect debtors in
24 this state from being subjected to charges which are

1 unreasonable or excessive as compared to the
2 prevailing charges being imposed by out-of-state
3 lenders and sellers.

4 SECTION 4. REPEALER 14A O.S. 2011, Sections 2-302 and 3-
5 302, are hereby repealed.

6 SECTION 5. This act shall become effective July 1, 2014.

7 SECTION 6. It being immediately necessary for the preservation
8 of the public peace, health and safety, an emergency is hereby
9 declared to exist, by reason whereof this act shall take effect and
10 be in full force from and after its passage and approval.

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12 COMMITTEE REPORT BY: COMMITTEE ON ECONOMIC DEVELOPMENT AND FINANCIAL
13 SERVICES, dated 02/13/2014 - DO PASS, As Coauthored.