

1 ENGROSSED SENATE
2 BILL NO. 382

By: Newberry of the Senate

and

McCall of the House

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6 An Act relating to supervised lenders; amending 14A
7 O.S. 2011, Section 3-508A, as amended by Section 2,
8 Chapter 297, O.S.L. 2014 (14A O.S. Supp. 2014,
9 Section 3-508A), which relates to loan finance
10 charges; deleting maximum term of loan; and providing
11 an effective date.

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

13 SECTION 1. AMENDATORY 14A O.S. 2011, Section 3-508A, as
14 amended by Section 2, Chapter 297, O.S.L. 2014 (14A O.S. Supp. 2014,
15 Section 3-508A), is amended to read as follows:

16 Section 3-508A. (1) With respect to a supervised loan,
17 including a loan pursuant to a revolving loan account, a supervised
18 lender may contract for and receive a loan finance charge not
19 exceeding that permitted by this section.

20 (2) The loan finance charge, calculated according to the
21 actuarial method, may not exceed the equivalent of the greater of
22 either of the following:

23 (a) the total of:

24 (i) twenty-seven percent (27%) per year on that part
of the unpaid balances of the principal which is

1 Two Thousand Nine Hundred Ten Dollars (\$2,910.00)
2 or less;

3 (ii) twenty-three percent (23%) per year on that part
4 of the unpaid balances of the principal which is
5 more than Two Thousand Nine Hundred Ten Dollars
6 (\$2,910.00) but does not exceed Six Thousand Two
7 Hundred Dollars (\$6,200.00); and

8 (iii) twenty percent (20%) per year on that part of the
9 unpaid balances of the principal which is more
10 than Six Thousand Two Hundred Dollars
11 (\$6,200.00); or

12 (b) twenty-five percent (25%) per year on the unpaid
13 balances of the principal.

14 (3) This section does not limit or restrict the manner of
15 contracting for the loan finance charge, whether by way of add-on,
16 discount, or otherwise, so long as the rate of the loan finance
17 charge does not exceed that permitted by this section. If the loan
18 is precomputed:

19 (a) the loan finance charge may be calculated on the
20 assumption that all scheduled payments will be made
21 when due; and

22 (b) the effect of prepayment is governed by the provisions
23 on rebate upon prepayment (Section 3-210).
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1 (4) The term of a loan, for the purpose of this section,
2 commences on the date the loan is made. Differences in the lengths
3 of months are disregarded and a day may be counted as one-thirtieth
4 (1/30) of a month. Subject to classifications and differentiations
5 the lender may reasonably establish, a part of a month in excess of
6 fifteen (15) days may be treated as a full month if periods of
7 fifteen (15) days or less are disregarded and if that procedure is
8 not consistently used to obtain a greater yield than would otherwise
9 be permitted. ~~A loan made under this section shall not be repayable~~
10 ~~in fewer than twelve (12) months.~~

11 (5) Subject to classifications and differentiations the lender
12 may reasonably establish, he may make the same loan finance charge
13 on all principal amounts within a specified range. A loan finance
14 charge so made does not violate subsection (2) of this section if:

15 (a) when applied to the median amount within each range,
16 it does not exceed the maximum permitted in subsection
17 (2) of this section; and

18 (b) when applied to the lowest amount within each range,
19 it does not produce a rate of loan finance charge
20 exceeding the rate calculated according to paragraph
21 (a) of this subsection by more than eight percent (8%)
22 of the rate calculated according to paragraph (a) of
23 this subsection.
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