

1 STATE OF OKLAHOMA

2 2nd Session of the 56th Legislature (2018)

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL 1151

By: Leewright

6
7 COMMITTEE SUBSTITUTE

8 An Act relating to consumer loans; authorizing
9 convenience fees to be charged for certain electronic
10 payments; setting maximum amount of fee; requiring
11 customer notification of fee; providing right to
12 cancel transaction; providing options for payments
13 without convenience fee charges; making certain fee
14 nonrefundable; defining term; providing for
15 codification; and providing an effective date.

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

17 SECTION 1. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 3-508C of Title 14A, unless
19 there is created a duplication in numbering, reads as follows:

20 A. In addition to the loan finance charges permitted by
21 Sections 3-508A and 3-508B of Title 14A of the Oklahoma Statutes, a
22 lender may contract for and receive a convenience fee from any
23 borrower making his or her payment by debit card, electronic funds
24 transfer, electronic check or other electronic means in order to
offset the costs incurred by a lender for accepting and processing
payments by electronic means.

1 B. Any convenience fee imposed and collected by a lender
2 pursuant to this section shall not exceed the actual cost or four
3 percent (4%) of the electronic payment transaction, whichever is
4 less.

5 C. Any lender charging a convenience fee pursuant to this
6 section shall notify the customer of the amount of the fee prior to
7 completing an electronic payment transaction, and shall provide the
8 customer an opportunity to cancel the transaction without incurring
9 a fee. A lender shall make available the option to make payments on
10 a loan by check, cash or money order directly to the lender without
11 the imposition of a convenience fee or by various types of
12 electronic payment transactions with any convenience fee fully
13 disclosed either in the loan contract or at the time of the
14 transaction.

15 D. When a borrower elects to make a payment to the lender by
16 debit card, electronic funds transfer, electronic check or other
17 electronic means and a convenience fee is imposed and collected
18 pursuant to this section, the payment of the convenience fee shall
19 not be refundable.

20 E. For purposes of this section, "actual costs" means actual
21 third-party costs incurred for the processing of payments made by
22 electronic means. If the lender is a subsidiary of an entity that
23 processes payments made by electronic means, the parent entity shall
24 be considered a third party.

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SECTION 2. This act shall become effective November 1, 2018.

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