HOUSE OF REPRESENTATIVES - FLOOR VERSION

STATE OF OKLAHOMA

2nd Session of the 56th Legislature (2018)

ENGROSSED SENATE
BILL NO. 1493 By: Leewright of the Senate

and

McEntire of the House

An Act relating to supervised lenders; amending 14A O.S. 2011, Section 3-512, which relates to sale of goods by licensee; authorizing sale of goods under certain conditions; stating conditions for licensee to sell goods; directing promulgation of rules; and providing an effective date.

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

SECTION 1. AMENDATORY 14A O.S. 2011, Section 3-512, is amended to read as follows:

Section 3-512. ~~(1) A~~ <u>A. 1. Except as provided in subsection B of this section, a</u> licensee who is authorized to make supervised loans under this Part shall not engage in the business of making sales of goods at any location where supervised loans are made; provided, however, a licensee may make sales of goods through vending machines at the location where supervised loans are made and may sell other goods approved by the Administrator of the Department of Consumer Credit which are paid for by a consumer in cash and not with the proceeds of a loan by the licensee also making the sale. The word "location" as used in this section means the entire space in which supervised loans are made and said location must be separated from any location in which merchandise is sold or displayed by walls which may be broken only by a passageway to which the public is not admitted.

~~(2)~~ 2. A sale of goods or services pursuant to a lender credit card or similar arrangement made at a place of business other than that of a licensee does not violate this section.

~~(3)~~ 3. An occasional sale of property used in the ordinary course of the business of the licensee does not violate this section.

~~(4)~~ 4. A sale of items repossessed by the licensee does not violate this section.

~~(5)~~ 5. No licensee shall conduct the business of making loans under ~~this act~~ the Consumer Credit Code under any name, or at any place of business within this state, other than that stated in the license.

B. A licensee who is authorized to make supervised loans under this Part may sell goods at any location where supervised loans are made upon meeting the following conditions:

1. The Administrator of the Department of Consumer Credit shall be notified in writing of the type and nature of goods to be sold at the location of the licensee;

<u>2. Any sale of goods authorized pursuant to this subsection shall be purchased through a loan with the licensee; and</u>

<u>3. All goods sold by the licensee pursuant to this subsection shall be restricted to purchase loans made only at A-lender rates and terms.</u>

<u>The Administrator shall promulgate rules to ensure lenders comply with the requirements of this subsection.</u>

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

COMMITTEE REPORT BY: COMMITTEE ON BANKING AND BUSINESS, dated 04/10/2018 - DO PASS.