

1 STATE OF OKLAHOMA

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

3 SENATE BILL 1151

By: Leewright

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6 AS INTRODUCED

7 An Act relating to consumer loans; authorizing
8 convenience fees to be charged for certain electronic
9 payments; establishing criteria for setting maximum
10 convenience fee charges; requiring notification of
11 convenience fee charges; providing right to cancel
12 transaction; providing options for payments without
13 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 payment by debit card, electronic funds transfer,
24 electronic check or other electronic means in order to offset actual
costs incurred by a lender for accepting and processing payments
made by electronic means.

1 B. Any convenience fee collected by a lender pursuant to this
2 section may not exceed the actual costs incurred by the lender;
3 provided, however, a lender may impose a convenience fee in lieu of
4 the actual cost incurred for the various types of electronic
5 payments for which the lender imposes a convenience fee. The
6 average cost shall be computed using the actual cost incurred over a
7 period of twelve (12) months and updated annually on February 1st
8 based on the previous calendar year average. The initial average
9 shall be computed using the first full month's actual average cost.

10 C. Any lender charging a convenience fee pursuant to this
11 section shall notify the customer of the amount of the fee prior to
12 completing a transaction, and shall provide the customer an
13 opportunity to cancel the transaction without incurring a fee, and
14 make available the options to make payment on a loan by check, cash
15 or money order directly to the lender without the imposition of a
16 convenience fee for a card payment or electronic payment.

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

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

1 processes payments made by electronic means, the parent entity shall
2 be considered a third party.

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

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