

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 HOUSE BILL 1404

By: Dollens

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5  
6 AS INTRODUCED

7 An Act relating to the Deferred Deposit Lending Act;  
8 amending 59 O.S. 2011, Section 3108, which relates to  
9 finance charges; setting maximum interest rate for  
deferred deposit loans; and providing an effective  
date.

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

13 SECTION 1. AMENDATORY 59 O.S. 2011, Section 3108, is  
14 amended to read as follows:

15 Section 3108. A. Regardless of any other law governing the  
16 imposition of interest, fees, loan finance charges or the extension  
17 of credit, a deferred deposit lender may charge a finance charge for  
18 each deferred deposit loan that does not exceed Fifteen Dollars  
19 (\$15.00) for every One Hundred Dollars (\$100.00) advanced up to the  
20 first Three Hundred Dollars (\$300.00) of the amount advanced; for  
21 the advance amounts in excess of Three Hundred Dollars (\$300.00),  
22 the lender may charge an additional finance charge of Ten Dollars  
23 (\$10.00) for every One Hundred Dollars (\$100.00) advanced in excess  
24 of Three Hundred Dollars (\$300.00). The credit terms of the

1 deferred deposit loan shall be disclosed in accordance with  
2 Regulation Z, including the terms "finance charge" and "annual  
3 percentage rate". The finance charge under this subsection shall be  
4 deemed fully earned as of the date of the transaction. Except for a  
5 fee for a dishonored instrument and the actual database verification  
6 fee pursuant to subparagraph b of paragraph 2 of subsection B of  
7 Section 3109 of this title, the lender may charge only those charges  
8 expressly authorized in this subsection in connection with a  
9 deferred deposit loan.

10 B. A deferred deposit lender shall not charge an annual  
11 percentage rate greater than sixty percent (60%) for any deferred  
12 deposit loan made pursuant to the Deferred Deposit Lending Act.

13 C. If an instrument held by a lender as a result of a deferred  
14 deposit loan is returned to the lender from a payor financial  
15 institution due to insufficient funds, a closed account or a stop  
16 payment order, the lender shall have the right to exercise all civil  
17 means authorized by law to collect the amount of the instrument. In  
18 addition, the lender may contract for and collect a dishonored  
19 instrument charge, not to exceed Twenty-five Dollars (\$25.00);  
20 however, a dishonored instrument charge shall not be allowed if the  
21 instrument is dishonored by a financial institution, or the debtor  
22 places a stop payment order, due to forgery or theft of the  
23 instrument.

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SECTION 2. This act shall become effective November 1, 2017.

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