

STATE OF OKLAHOMA

1st Session of the 57th Legislature (2019)

COMMITTEE SUBSTITUTE
FOR

SENATE BILL NO. 729

By: Leewright

COMMITTEE SUBSTITUTE

An Act relating to licensed lenders; stating certain preemption; proscribing certain activities by certain entities; prohibiting certain disincentives for certain lenders; authorizing certain ordinances; providing right to civil action for certain violations; providing certain grandfather provision for certain businesses; construing certain provisions; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-102a of Title 14A, unless there is created a duplication in numbering, reads as follows:

A. For the protection of the public financial welfare, access to credit services, and for community health, peace and safety the State Legislature hereby occupies and preempts the entire field of legislation in this state touching in any way those businesses and occupations licensed, regulated and controlled under the supervision of the Department of Consumer Credit to the complete exclusion of

1 any order, ordinance or regulation by any municipality or other
2 political subdivision of this state. Any existing or future orders,
3 ordinances or regulations in this field, except as provided in
4 subsection D of this section, are null and void.

5 B. No municipality or other political subdivision of this state
6 shall adopt or enforce any order, ordinance or regulation relating
7 to any business or person licensed, regulated and controlled under
8 the supervision of the Department of Consumer Credit in accordance
9 with Oklahoma Statutes which in any way concerns:

10 1. The function, scope or operation of such business or the
11 licensee;

12 2. The registration, permitting or licensing of such business
13 or any person employed by such business;

14 3. The regulation of interest rates or fees charged by such
15 business; or

16 4. The physical location of such business by prohibiting its
17 presence in an otherwise commercial or business-designated area or
18 by a classification or re-classification of such business by its
19 function, type or nature in an otherwise business-designated area.

20 C. No municipality or other political subdivision of this state
21 shall create any disincentive for any lender authorized and licensed
22 to make loans under Section 3-102 et seq. of Title 14A of the
23 Oklahoma Statutes from engaging in lending practices authorized by
24 Section 3-102 et seq. of Title 14A of the Oklahoma Statutes.

1 D. A municipality may adopt any ordinance relating to:

2 1. Sales tax on merchandise or taxable services sold by such
3 business or person within the jurisdiction of the municipality;

4 2. Construction and building code permits necessary for public
5 safety, code compliance and enforcement or inspection purposes;

6 3. Signage, parking and hours of operation consistent with
7 surrounding businesses; and

8 4. The health, safety and general welfare of the public at the
9 physical site where such business is located.

10 E. When a person's rights pursuant to the protection of the
11 preemption provisions of this section have been violated, the person
12 shall have the right to bring a civil action against the persons,
13 municipality, and political subdivision jointly and severally for
14 injunctive relief or monetary damages, or both.

15 F. 1. On the effective date of this act, any business entity
16 or person licensed to do business in this state under the
17 regulation, control and supervision of the Department of Consumer
18 Credit in accordance with the Oklahoma Statutes, and operating a
19 lawful physical business facility located in this state, shall be
20 authorized to have such business and its facility, and such business
21 and its facility are hereby grandfathered in under the existing
22 local zoning ordinances and land use regulations in effect and
23 adopted by the municipality or other political subdivision of this
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1 state in which such business and its facility are located on the
2 effective date of this act.

3 2. After the effective date of this act, a failure to maintain
4 a state-issued business license at such business location or a
5 change in the facility usage or physical location of such business
6 shall constitute a release of the authorized grandfather clause
7 provided in paragraph 1 of this subsection.

8 3. Nothing in this section shall be construed to release the
9 protected grandfather clause provided in paragraph 1 of this
10 subsection for reason of a change in ownership or named licensee, a
11 name change of the business, or a temporary inability to occupy the
12 business premises due to damage or loss of use resulting from an
13 accident, natural occurrence or other occupancy restriction not the
14 fault of the owner or business licensee.

15 SECTION 2. This act shall become effective November 1, 2019.

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