

STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

HOUSE BILL 2544

By: O'Donnell

AS INTRODUCED

An Act relating to financial services; enacting the Oklahoma Fair Access to Financial Services Act; making legislative findings; defining terms; prohibiting financial institutions from denying services based on impermissible criteria; imposing duty of disclosure upon financial institutions; prescribing content of required disclosure; providing civil cause of action for violations of act; for civil penalties; providing for criminal penalties; providing for enforcement; 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 3101 of Title 6, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Oklahoma Fair Access to Financial Services Act."

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3102 of Title 6,

1 unless there is created a duplication in numbering, reads as
2 follows:

3 The Legislature recognizes the rights of Oklahoma citizens
4 including the freedom of speech and association and that these
5 rights may be infringed when financial institutions limit access
6 to financial services for any reason other than objective
7 financial criteria. The protection of the rights of Oklahoma
8 citizens and businesses, including financial freedom, is a
9 fundamental role of government and any limitations on access to
10 financial services based on non-traditional criteria would not
11 only threaten the rights and proper privileges of Oklahoma
12 citizens and businesses but would also be a menace to the
13 institutions and foundation of a free democratic state and a
14 threat to the peace, order, health, safety, and general welfare
15 of the state and its inhabitants.

16 SECTION 3. NEW LAW A new section of law to be
17 codified in the Oklahoma Statutes as Section 3103 of Title 6,
18 unless there is created a duplication in numbering, reads as
19 follows:

20 As used in this act:

21 1. "Financial institution" means any state bank, national
22 bank, trust company, savings and loan association, savings bank,
23 federal savings and loan association, federal savings bank,
24 mortgage provider, or credit union, any money transmitter, or

1 other non-depository service provider, any federal credit union
2 organized under the federal credit union act (12 U.S.C. section
3 1751, et seq.), and any insurance company registered in this
4 State. "Financial Institution" also means any other institution
5 that holds and receives deposits, savings, or share accounts,
6 issues certificates of deposit, or provides to its customers any
7 deposit accounts subject to withdrawal by check, instrument,
8 order, or electronic means to effect third-party payments,
9 provides insurance services, or provides investment services;

10 2. "Financial service" means a financial product or
11 service; and

12 3. "Person" means an individual, general partnership,
13 limited partnership corporation, limited liability company or
14 other lawfully recognized entity.

15 SECTION 4. NEW LAW A new section of law to be
16 codified in the Oklahoma Statutes as Section 3104 of Title 6,
17 unless there is created a duplication in numbering, reads as
18 follows:

19 A. To provide fair access to financial services, a
20 financial institution shall not, except as provided in this act:

21 1. Deny any person a financial service the financial
22 institution offers except to the extent justified by such
23 person's documented failure to meet quantitative, impartial
24

1 risk-based financial standards established in advance by the
2 financial institution,

3 2. Deny any person a financial service the financial
4 institution offers, other than as provided in paragraph 1 of
5 this subsection, when the effect of the denial is to prevent,
6 limit, or otherwise disadvantage the person:

7 a. From entering or competing in a market or business
8 segment; or

9 b. In such a way that benefits another person or
10 business activity in which the financial
11 institution has a financial interest; or

12 3. Deny, in coordination with another person, any person a
13 financial service the financial institution offers.

14 B. A financial institution that utilizes standards or
15 guidelines based on non-financial, non-traditional, and
16 subjective measures such as environmental, social, and
17 governance criteria, diversity, equity, and inclusion policies,
18 or political and ideological factors shall:

19 1. Disclose to the state authority that oversees the
20 financial institution the specific standards, guidelines, and
21 criteria used by the financial institution to determine access
22 or denial of a financial service to a person in this state;

23 2. Comply with any rules promulgated by the state authority
24 that oversees the financial institution defined in this act; and

1 3. Disclose to any person denied a financial service with
2 the specific data, information, criteria, and standard used to
3 support such denial. This consumer disclosure shall be in bold
4 fourteen (14) point font.

5 SECTION 5. NEW LAW A new section of law to be
6 codified in the Oklahoma Statutes as Section 3105 of Title 6,
7 unless there is created a duplication in numbering, reads as
8 follows:

9 A. Unless otherwise authorized, a financial institution
10 that violates the provisions of this act commits an unfair
11 practice that misleads consumers and shall be subject to civil
12 enforcement by the State Banking Department pursuant to the
13 provisions of this act.

14 B. A person harmed by a violation of this act may file a
15 civil action to enforce the provisions of this act.

16 C. Notwithstanding civil enforcement pursuant to this
17 section, it shall be a misdemeanor for a financial institution
18 to commit five (5) or more violations of this act.

19 D. The Oklahoma State Banking Department, or other
20 applicable state governmental entity having regulatory
21 jurisdiction over the financial institution, shall be authorized
22 to promulgate rules if necessary for the enforcement of this
23 act.

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SECTION 6. This act shall become effective November 1,
2023.

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