STATE OF OKLAHOMA
1st Session of the 56th Legislature (2017)

HOUSE BILL 1404

By: Dollens

AS INTRODUCED

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

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

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

Section 3108. A. Regardless of any other law governing the imposition of interest, fees, loan finance charges or the extension of credit, a deferred deposit lender may charge a finance charge for each deferred deposit loan that does not exceed Fifteen Dollars ($15.00) for every One Hundred Dollars ($100.00) advanced up to the first Three Hundred Dollars ($300.00) of the amount advanced; for the advance amounts in excess of Three Hundred Dollars ($300.00), the lender may charge an additional finance charge of Ten Dollars ($10.00) for every One Hundred Dollars ($100.00) advanced in excess of Three Hundred Dollars ($300.00). The credit terms of the
deferred deposit loan shall be disclosed in accordance with
Regulation Z, including the terms "finance charge" and "annual
percentage rate". The finance charge under this subsection shall be
demed fully earned as of the date of the transaction. Except for a
fee for a dishonored instrument and the actual database verification
fee pursuant to subparagraph b of paragraph 2 of subsection B of
Section 3109 of this title, the lender may charge only those charges
expressly authorized in this subsection in connection with a
defined deposit loan.

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

C. If an instrument held by a lender as a result of a deferred
deposit loan is returned to the lender from a payor financial
institution due to insufficient funds, a closed account or a stop
payment order, the lender shall have the right to exercise all civil
means authorized by law to collect the amount of the instrument. In
addition, the lender may contract for and collect a dishonored
instrument charge, not to exceed Twenty-five Dollars ($25.00);
however, a dishonored instrument charge shall not be allowed if the
instrument is dishonored by a financial institution, or the debtor
places a stop payment order, due to forgery or theft of the
instrument.
SECTION 2. This act shall become effective November 1, 2017.

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