

# An Act

ENROLLED SENATE  
BILL NO. 1687

By: Leewright of the Senate

and

McEntire of the House

An Act relating to supervised loans; amending 14A O.S. 2021, Section 1-106, which relates to change in dollar amounts; removing section reference; designating dollar amounts subject to change; providing for conditions of changes; amending 14A O.S. 2021, Section 3-508B, which relates to charges for supervised loans; changing amount thresholds; creating additional amount thresholds; providing maximum terms for loan amounts; and providing an effective date.

SUBJECT: Supervised loans

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

SECTION 1. AMENDATORY 14A O.S. 2021, Section 1-106, is amended to read as follows:

Section 1-106. (1) From time to time the dollar amounts in paragraphs (a), (b) and (c) of subsection (2) of Section 2-201, paragraph (a) of subsection (1) of Section 2-203, subsection (1) of Section 2-407, Section 2-413, paragraph (b) of subsection (1) of Section 3-203, Section 3-203.1, subsection (4) of Section 3-508A, ~~subsection (1) of Section 3-508B~~, subsection (1) of Section 3-510, paragraphs (a) and (b) of Section 3-511, Section 3-514, and subsections (2) and (3) of Section 5-103 of the Uniform Consumer Credit Code, are hereby designated as subject to change and shall change, as provided in this section and the rules of the Administrator, according to and to the extent of changes in the

Consumer Price Index for Urban Wage Earners and Clerical Workers: U.S. City Average, All Items, 1967=100, compiled by the Bureau of Labor Statistics, United States Department of Labor, and hereafter referred to as the Index. The Index for December of the year 1973 shall be deemed the Reference Base Index. The dollar amounts established by rule of the Administrator in paragraph (e) of subsection (1) of Section 2-104, paragraph (b) of subsection (1) of Section 2-106 and paragraph (d) of Section 3-104 of the Uniform Consumer Credit Code in effect on January 1, 1982, shall remain in full force and effect.

(2) From time to time, the dollar amounts in subsection (1) of Section 3-508B of the Uniform Consumer Credit Code are hereby designated as subject to change and shall change, as provided in this section and the rules of the Administrator, according to and to the extent of changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers: U.S. City Average, All Items, 1982-84=100, compiled by the Bureau of Labor Statistics, United States Department of Labor, and hereafter referred to as the Index. The Index for December 2021 shall be deemed the Reference Base Index.

(3) The designated dollar amounts referenced in subsection (1) of this section shall change on July 1 of each year if the percentage of change, calculated to the nearest whole percentage point, between the Index at the end of the preceding year and the Reference Base Index is ten percent (10%) or more, but:

- (a) the portion of the percentage change in the Index in excess of a multiple of ten percent (10%) shall be disregarded and the dollar amounts shall change only in multiples of ten percent (10%) of the amounts appearing in the Uniform Consumer Credit Code; and
- (b) the dollar amounts shall not change if the amounts required by this section are those currently in effect pursuant to the Uniform Consumer Credit Code as a result of earlier application of this section.

~~(3)~~ (4) The designated dollar amounts referenced in subsection (2) of this section shall change on July 1 of each year if the percentage of change, calculated to the nearest whole percentage

point, between the Index at the end of the preceding year and the Reference Base Index is one percent (1%) or more, but:

- (a) the portion of the percentage change in the Index in excess of three percent (3%) shall be disregarded and shall change only in multiples of one percent (1%), to a maximum of three percent (3%); and
- (b) the dollar amounts shall not change if the amounts required by this section are those currently in effect pursuant to the Uniform Consumer Credit Code as a result of earlier application of this section.

(5) If the Index is revised, the percentage of change pursuant to this section shall be calculated on the basis of the revised Index. If a revision of the Index changes the Reference Base Index, a revised Reference Base Index shall be determined by multiplying the Reference Base Index then applicable by the rebasing factor furnished by the United States Bureau of Labor Statistics. If the Index is superseded, the Index referred to in this section shall be the one represented by the United States Bureau of Labor Statistics as reflecting most accurately changes in the purchasing power of the dollar for consumers.

~~(4)~~ (6) The rules of the Administrator shall:

- (a) include the method for calculating the changes in dollar amounts required by subsection (2) of this section;
- (b) be amended in accordance with the Administrative Procedures Act to include changes in the Index required by subsection (3) of this section including, if applicable, the numerical equivalent of the Reference Base Index under a revised Reference Base Index and the designation or title of any index superseding the Index; and
- (c) provide for appropriate notice to licensees and other interested persons of any changes in the dollar amounts which result from changes required by subsection (2) of this section no later than April 30

of each year. Each dollar amount subject to change as provided in this section shall be listed in an appendix to the rules of the Administrator and shall be published in the Oklahoma Administrative Code. Changes to the appendix shall be submitted to the Secretary of State prior to the annual deadline for submitting material for publication in the Code. Changes in the appendix shall not be construed as rulemaking.

~~(5)~~ (7) A person does not violate the Uniform Consumer Credit Code with respect to a transaction otherwise complying with the Uniform Consumer Credit Code if he or she relies on dollar amounts either determined according to subsection (2) of this section or appearing in the last rule of the Administrator announcing the then current dollar amounts.

SECTION 2. AMENDATORY 14A O.S. 2021, Section 3-508B, is amended to read as follows:

Section 3-508B. 1. On loans having a principal of ~~Three Hundred Dollars (\$300.00)~~ Three Thousand Dollars (\$3,000.00) or less, a supervised lender may charge in lieu of the loan finance charges specified in Section 3-508A of this title, the following amounts:

- a. on any amount up to and including ~~Twenty-nine Dollars and ninety-nine cents (\$29.99)~~ One Hundred Sixty-one Dollars and ninety-five cents (\$161.95), there shall be allowed an acquisition charge for making the loan not in excess of one-tenth (1/10) of the amount of the principal. In addition thereto, a handling charge may be added at the ratio of ~~One Dollar (\$1.00)~~ Five Dollars and forty cents (\$5.40) for each ~~Five Dollars (\$5.00)~~ Twenty-seven Dollars (\$27.00) of principal,
- b. on any loan in an amount in excess of ~~Twenty-nine Dollars and ninety-nine cents (\$29.99)~~ One Hundred Sixty-one Dollars and ninety-five cents (\$161.95) up to and including the amount of ~~Thirty-five Dollars (\$35.00)~~ One Hundred Eighty-nine Dollars (\$189.00), there shall be allowed an acquisition charge for

making the loan not in excess of one-tenth (1/10) of the amount of the principal. In addition thereto, an installment account handling charge shall be allowed not to exceed ~~Three Dollars (\$3.00)~~ Sixteen Dollars and twenty cents (\$16.20) per month,

- c. on any loan of an amount in excess of ~~Thirty-five Dollars (\$35.00)~~ One Hundred Eighty-nine Dollars (\$189.00) but not more than ~~Seventy Dollars (\$70.00)~~ Three Hundred Seventy-eight Dollars (\$378.00), there shall be allowed an acquisition charge for making the loan not in excess of one-tenth (1/10) of the amount of the principal. In addition thereto, an installment account handling charge shall be allowed not to exceed ~~Three Dollars and fifty cents (\$3.50)~~ Eighteen Dollars and ninety cents (\$18.90) per month,
- d. on any loan of an amount in excess of ~~Seventy Dollars (\$70.00)~~ Three Hundred Seventy-eight Dollars (\$378.00) but not in excess of ~~One Hundred Dollars (\$100.00)~~ Five Hundred and Forty Dollars (\$540.00), there shall be allowed an acquisition charge for making the loan, not in excess of one-tenth (1/10) of the amount of the principal. In addition thereto, an installment account handling charge shall be allowed not to exceed ~~Four Dollars (\$4.00)~~ Twenty-one Dollars and sixty cents (\$21.60) per month,
- e. on any loan in an amount in excess of ~~One Hundred Dollars (\$100.00)~~ Five Hundred Forty Dollars (\$540.00) up to and including the amount of ~~One Hundred Fifty Dollars (\$150.00)~~ Eight Hundred Ten Dollars (\$810.00), there shall be allowed an acquisition charge for making the loan not in excess of one-tenth (1/10) of the amount of the principal. In addition thereto, an installment account handling charge shall be allowed not to exceed ~~Four Dollars and fifty cents (\$4.50)~~ Twenty-four Dollars and thirty cents (\$24.30) per month,
- f. on any loan of an amount in excess of ~~One Hundred Fifty Dollars (\$150.00)~~ Eight Hundred Ten Dollars

(\$810.00) but not more than ~~Two Hundred Dollars~~  
~~(\$200.00)~~ One Thousand Eighty Dollars (\$1,080.00),  
there shall be allowed an acquisition charge for  
making the loan not in excess of one-tenth (1/10) of  
the amount of the principal. In addition thereto, an  
installment account handling charge shall be allowed  
not to exceed ~~Five Dollars (\$5.00)~~ Twenty-seven  
Dollars (\$27.00) per month,

- g. on any loan of an amount in excess of ~~Two Hundred Dollars (\$200.00)~~ One Thousand Eighty Dollars (\$1,080.00) but not more than ~~Two Hundred Fifty Dollars (\$250.00)~~ One Thousand Three Hundred Fifty Dollars (\$1,350.00), there shall be allowed an acquisition charge for making the loan not in excess of one-tenth (1/10) of the amount of the principal. In addition thereto, an installment account handling charge shall be allowed not to exceed ~~Five Dollars and fifty cents (\$5.50)~~ Twenty-nine Dollars and seventy cents (\$29.70) per month, ~~and~~
- h. on any loan of an amount in excess of ~~Two Hundred Fifty Dollars (\$250.00)~~ One Thousand Three Hundred Fifty Dollars (\$1,350.00) but not more than ~~Three Hundred Dollars (\$300.00)~~ One Thousand Six Hundred Twenty Dollars (\$1,620.00), there shall be allowed an acquisition charge for making the loan not in excess of one-tenth (1/10) of the amount of the principal. In addition thereto, an installment account handling charge shall be allowed not to exceed ~~Six Dollars (\$6.00)~~ Thirty-two Dollars and forty cents (\$32.40) per month,
- i. on any loan of an amount in excess of One Thousand Six Hundred Twenty Dollars (\$1,620.00) but not more than Two Thousand Dollars (\$2,000.00), there shall be allowed an acquisition charge for making the loan not in excess of one-tenth (1/10) of the amount of principal. In addition thereto, an installment account handling charge shall be allowed not to exceed Forty Dollars (\$40.00) per month,

- j. on any loan of an amount in excess of Two Thousand Dollars (\$2,000.00) but not more than Two Thousand Five Hundred Dollars (\$2,500.00), there shall be allowed an acquisition charge for making the loan not in excess of one-tenth (1/10) of the amount of principal. In addition thereto, an installment account handling charge shall be allowed not to exceed Fifty Dollars (\$50.00) per month, and
- k. on any loan of an amount in excess of Two Thousand Five Hundred Dollars (\$2,500.00) but not more than Three Thousand Dollars (\$3,000.00), there shall be allowed an acquisition charge for making the loan not in excess of one-tenth (1/10) of the amount of principal. In addition thereto, an installment account handling charge shall be allowed not to exceed Sixty Dollars (\$60.00) per month.

2. The maximum term of any loan made under the terms of this section shall be one (1) month for each Ten Dollars (\$10.00) of principal up to a maximum term of eighteen (18) months. Provided, however, that under subparagraphs e through ~~h~~ i of paragraph 1 of this ~~subsection~~ section the maximum terms shall be one (1) month for each Twenty Dollars (\$20.00) of principal up to a maximum term of eighteen (18) months, and under subparagraphs j and k of paragraph 1 of this section, the maximum terms shall be one (1) month for each Twenty Dollars (\$20.00) of principal to a maximum term of twenty-four (24) months.

3. The minimum term of any loan made under the terms of subparagraphs a through ~~h~~ k of paragraph 1 of this ~~subsection~~ section shall be no less than sixty (60) days. Any loan made under the terms of this section shall be scheduled to be payable in substantially equal installments at not less than thirty-day intervals, with the first installment to be scheduled to be due not less than one (1) calendar month after the date such loan is made.

4. Loans made under this section may be refinanced or consolidated according to the provisions of this section, notwithstanding anything in Section 2-101 et seq. of this title to the contrary. When a loan made under this section is refinanced or consolidated, installment account handling charges on the loans

being refinanced or consolidated must be rebated pursuant to the provisions regarding rebate on prepayment (Section 3-210 of this title) as of the date of refinancing or consolidation. For the purpose of determining the amount of acquisition and installment account handling charges permitted in relation to the refinancing or the consolidation of loans made under this section, the principal resulting from the refinancing or consolidation is the total of the unpaid balances of the principal of the loans being refinanced or consolidated, plus any new money advanced, and any delinquency or deferral charges if due and unpaid, less any unearned acquisition and installment account handling charges imposed in connection with loans being refinanced or consolidated.

5. On such loans under this section, no insurance charges or any other charges of any nature whatsoever shall be permitted.

6. Except as otherwise provided, the acquisition charge authorized herein shall be deemed to be earned at the time a loan is made and shall not be subject to refund. Provided, however, in a loan made under this section which is prepaid in full, refinanced or consolidated within the first sixty (60) days, the acquisition charge under this section will not be fully earned at the time the loan is made, but must be refunded pro rata at the rate of one-sixtieth (1/60) of the acquisition charge for each day from the date of the prepayment, refinancing or consolidation to the sixtieth day of the loan. On the prepayment of any loan under this section, the installment account handling charge shall be subject to the provisions of Section 3-210 of this title as it relates to refunds. Provisions of Section 3-203 of this title as it relates to delinquency charges and Section 3-204 of this title as it relates to deferral charges shall apply to loans made under the section.

SECTION 3. This act shall become effective November 1, 2022.



Passed the Senate the 23rd day of March, 2022.

\_\_\_\_\_  
Presiding Officer of the Senate

Passed the House of Representatives the 28th day of April, 2022.

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Presiding Officer of the House  
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

By: \_\_\_\_\_

Approved by the Governor of the State of Oklahoma this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

By: \_\_\_\_\_