

**TITLE 160. DEPARTMENT OF CONSUMER CREDIT
CHAPTER 45. TRUTH IN LENDING RULES [AMENDED]**

RULEMAKING ACTION:

Rule Impact Statement

BRIEF DESCRIPTION OF THE PURPOSE OF THE PROPOSED RULES:

The proposed rules incorporate amendments to Regulation Z of the federal Truth in Lending Act to Oklahoma's Truth in Lending Rules. The proposed rules are necessary for Oklahoma's Truth in Lending rules to remain consistent with Regulation Z rules adopted by the Board of Governors of the Federal Reserve System.

DESCRIPTION OF THE CLASSES OF PERSONS WHO MOST LIKELY WILL BE AFFECTED BY THE PROPOSED RULE, INCLUDING CLASSES THAT WILL BEAR THE COSTS OF THE PROPOSED RULE, AND ANY INFORMATION ON COST IMPACTS RECEIVED BY THE AGENCY FROM ANY PRIVATE OR PUBLIC ENTITIES:

The persons most likely to be affected by the proposed rules are creditors engaged in consumer credit transactions in the State of Oklahoma. Creditors engaged in consumer credit transactions in the State of Oklahoma will bear any costs of the proposed rules. The Department of Consumer Credit has not received any information regarding cost impacts of the proposed rules from any private or public entities.

DESCRIPTION OF THE CLASSES OF PERSONS WHO WILL BENEFIT FROM THE PROPOSED RULE:

Consumers will benefit from the additional disclosure requirements of the proposed rules. Creditors engaged in consumer credit transactions in the State of Oklahoma will benefit from the proposed rules. Oklahoma currently has an exemption to certain sections of the federal Truth in Lending Act. Amending Oklahoma's Truth in Lending rules to remain consistent with Regulation Z allows Oklahoma to maintain its exemption from certain sections of the federal Truth in Lending Act. Therefore, creditors can choose to follow either Oklahoma law or federal law when engaged in consumer credit transactions in the State of Oklahoma.

DESCRIPTION OF THE PROBABLE ECONOMIC IMPACT OF THE PROPOSED RULE UPON AFFECTED CLASSES OF PERSONS OR POLITICAL SUBDIVISIONS, INCLUDING A LISTING OF ALL FEE CHANGES AND, WHENEVER POSSIBLE, A SEPARATE JUSTIFICATION FOR EACH FEE CHANGE:

The probable economic impact of the proposed rules upon affected classes or persons are the costs and time of updating various forms, disclosures and policies to comply with the new rules. However, the Department of Consumer Credit has not received any information from interested parties or creditors indicating the probable economic impact of the proposed rules. There are no fee changes involved in the proposed rules.

PROBABLE COSTS AND BENEFITS TO THE AGENCY AND TO ANY OTHER AGENCY OF THE IMPLEMENTATION AND ENFORCEMENT OF THE PROPOSED RULE, THE SOURCE OF REVENUE TO BE USED FOR IMPLEMENTATION AND ENFORCEMENT OF THE PROPOSED RULE AND ANY ANTICIPATED EFFECT ON STATE REVENUES, INCLUDING A PROJECTED NET LOSS OR GAIN IN SUCH REVENUES IF IT CAN BE PROJECTED BY THE AGENCY:

The probable costs and benefits to the Department of Consumer from the proposed rules cannot be expressed in a monetary amount. However, the proposed rules would require the Department of Consumer Credit to revise examination procedures of creditors within its jurisdiction to ensure such creditors are in compliance with the proposed rules. The probable benefit of the proposed rules to the Department is ensuring Oklahoma's Truth in Lending Rules remain consistent with the federal Regulation Z rules. The source of revenue to be used for implementation and enforcement of the proposed rules are appropriations from the State of Oklahoma and any license fees transferred to the Department of Consumer Credit. There is no anticipated effect on state revenues.

DETERMINATION OF WHETHER IMPLEMENTATION OF THE PROPOSED RULE WILL HAVE AN ECONOMIC IMPACT ON ANY POLITICAL SUBDIVISIONS OR REQUIRE THEIR COOPERATION IN IMPLEMENTING OR ENFORCING THE RULE:

There should not be an economic impact on any political subdivision regarding the proposed rules. However, other state agencies may also be required to enforce the proposed regulations for creditors under their jurisdiction. The probable costs to such agencies would be similar to those of the Department of Credit for revising examination procedures to ensure compliance with the proposed rules.

DETERMINATION OF WHETHER IMPLEMENTATION OF THE PROPOSED RULES WILL HAVE AN ADVERSE EFFECT ON SMALL BUSINESS AS PROVIDED BY THE OKLAHOMA SMALL BUSINESS REGULATORY FLEXIBILITY ACT:

The Department has determined that implementation of the proposed rules will not have an adverse effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act.

EXPLANATION OF THE MEASURES THE AGENCY HAS TAKEN TO MINIMIZE COMPLIANCE COSTS AND A DETERMINATION OF WHETHER THERE ARE LESS COSTLY OR NONREGULATORY METHODS OR LESS INTRUSIVE METHODS FOR ACHIEVING THE PURPOSES OF THE PROPOSED RULE:

The Department has determined there are no compliance costs to minimize. The Department has determined there are not any less costly or nonregulatory methods or less intrusive methods for achieving the purpose of the proposed rules.

DETERMINATION OF THE EFFECT OF THE PROPOSED RULE ON THE PUBLIC HEALTH, SAFETY AND ENVIRONMENT AND, IF THE PROPOSED RULE IS DESIGNED TO REDUCE SIGNIFICANT RISKS TO THE PUBLIC HEALTH, SAFETY AND ENVIRONMENT, AN EXPLANATION OF THE NATURE OF THE RISK AND TO WHAT EXTENT THE PROPOSED RULE WILL REDUCE THE RISK:

The Department has determined the proposed rules do not affect the public health, safety and environment.

DETERMINATION OF ANY DETRIMENTAL EFFECT ON THE PUBLIC HEALTH, SAFETY AND ENVIRONMENT IF THE PROPOSED RULE IS NOT IMPLEMENTED:

The public health, safety and environment will not be affected if the proposed rules are not implemented. However, Oklahoma would be subject to losing its exemption status from certain sections of the federal Truth in Lending Act if the proposed rules are not implemented.

DATE THE RULE IMPACT STATEMENT WAS PREPARED AND IF MODIFIED, THE DATE MODIFIED:

February 12, 2010