

**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 purpose of the proposed rules is to incorporate changes made to Regulation Z (which implements the Federal Truth in Lending Act) for purposes of maintaining Oklahoma's exemption from federal enforcement of the consumer credit disclosure provisions of the Truth in Lending Act and Regulation Z. Specifically, the proposed rules implement the enhanced mortgage disclosure requirements incorporated into the Uniform Consumer Credit Code by House Bill 2742 during the 2012 Oklahoma legislative session. The proposed rules also amend the dollar threshold amount for exempt transactions from the Uniform Consumer Credit Code and the Truth in Lending Rules that correspond with statutory revisions made to the Uniform Consumer Credit Code by House Bill 2742 during the 2012 Oklahoma legislative session.

**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:**

Financial institutions engaged in making residential mortgage loans will be affected by the enhanced mortgage disclosure provisions of the proposed rules. Creditors involved in consumer credit transactions will be affected by the proposed rules regarding the dollar threshold amount for exempt transactions from the Uniform Consumer Credit Code and Truth in Lending Rules. The Department has not received any information on cost impacts from any private or public entities.

**DESCRIPTION OF THE CLASSES OF PERSONS WHO WILL BENEFIT FROM THE PROPOSED RULES:**

Consumers will benefit from the proposed rules.

**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:**

There will be a probable economic impact upon mortgage lenders and creditors to include additional disclosure requirements on residential mortgage loan documents. There are not any fee changes with 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:**

There are not any probable, significant costs to the agency. There are not any costs or benefits to any other agency. There is not any 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 is not an economic impact on any political subdivision from the proposed rules. Cooperation from political subdivisions is not required for enforcing the proposed rules. Cooperation from the Consumer Financial Protection Bureau may be required for enforcing the enhanced mortgage disclosure requirements.

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

Implementation of the proposed rule may have an adverse effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act. However, the proposed rules implement minimum federal standards and the Oklahoma Small Business Regulatory Flexibility Act does not apply to proposed permanent rules by an agency to implement a statute or ordinance that does not require an agency to interpret or describe the requirements of the statute or ordinance, such as state legislative or federally mandated provisions which afford the agency no discretion to consider less restrictive alternatives.

**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 PURPOSE OF THE PROPOSED RULES:**

The agency has not examined any measures to minimize compliance costs since the proposed rules implement minimum federal standards. The agency has not determined if there are any less costly or non-regulatory methods or less intrusive methods for achieving the purpose of the proposed rules because the proposed rules implement minimum federal standards.

**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 proposed rules do not affect the public health, safety and environment. The proposed rules are not designed to reduce significant risks to 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:**

There will not be a detrimental effect on the public health, safety and environment if the proposed rules are not implemented.

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

February 16, 2013.

