

Consumer Leasing Act (CLA)

Description:

This Act, amending the Truth in Lending Act, regulates personal property leases that exceed 4 months in duration and that are made to consumers for personal, family, or household purposes. The statute requires that certain lease costs and terms be disclosed, imposes limitations on the size of penalties for delinquency or default and on the size of residual liabilities, and requires certain disclosures in lease advertising.

Dealer Relevancy:

- Requires specific lease term disclosures such as Amount Due at Delivery, Total of Payments, Payment Calculation, Payment Schedule, and Early-termination Information. Like the TILA Disclosures, certain formatting requirements apply.
- Governs advertising of lease terms in a manner similar to the TILA for credit sales.
- Applies to leases for a period of more than four months and with a total contractual cost falling under a specified threshold. The threshold for 2013 is \$53,000 and is adjusted for inflation January 1 of each year.

CLA



Covered entities:

LPHH

Rulemaking Authority:

*Oklahoma

CFPB

Federal Reserve

*Oklahoma is one of five states exempt from certain sections of the CLA.