

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 60th Legislature (2025)

4 COMMITTEE SUBSTITUTE
FOR ENGROSSED
SENATE BILL NO. 1075

5 By: Rosino of the Senate

6 and

7 Moore of the House

8

9 COMMITTEE SUBSTITUTE

10 An Act relating to The Oklahoma Real Estate License
11 Code; amending 59 O.S. 2021, Section 858-102, as
12 amended by Section 1, Chapter 159, O.S.L. 2024 (59
13 O.S. Supp. 2024, Section 858-102), which relates to
14 definitions; defining terms; requiring wholesalers to
15 provide certain disclosures; prohibiting wholesalers
16 from certain practices; proscribing certain
17 requirements for notice for the contract or
18 agreement; allowing for contracts to be invalid
19 without proper disclosure; requiring the Oklahoma
20 Real Estate Commission to provide certain form;
21 providing for promulgation of rules; providing for
22 codification; and providing an effective date.

23

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

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26 SECTION 1. AMENDATORY 59 O.S. 2021, Section 858-102, as
27 amended by Section 1, Chapter 159, O.S.L. 2024 (59 O.S. Supp. 2024,
28 Section 858-102), is amended to read as follows:

Section 858-102. When used in this Code, unless the context clearly indicates otherwise, the following words and terms shall be construed as having the meanings ascribed to them in this section:

4 1. The term "real estate" shall include any interest or estate
5 in real property, within or without the State of Oklahoma, whether
6 vested, contingent or future, corporeal or incorporeal, freehold or
7 nonfreehold, and including leaseholds, options and unit ownership
8 estates to include condominiums, time-shared ownerships and
9 cooperatives; provided, however, that the term real estate shall not
10 include oil, gas or other mineral interests, or oil, gas or other
11 mineral leases; and provided further, that the provisions of this
12 Code shall not apply to any oil, gas, or mineral interest or lease
13 or the sale, purchase or exchange thereof;

14 2. The term "broker" shall include any person, partnership,
15 limited liability company, association, corporation, or business
16 entity, foreign or domestic, who for a fee, commission, or other
17 valuable consideration, or who with the intention or expectation of
18 receiving or collecting a fee, commission, or other valuable
19 consideration, performs any of the following acts:

a. sells, exchanges, purchases, rents, or leases real estate

b. offers to sell, exchange, purchase, rent, or lease real estate

- c. negotiates or attempts to negotiate the listing, sale, exchange, purchase, rent, or lease of real estate,
 - d. lists or offers, attempts, or agrees to list real estate for sale, exchange, rent or lease,
 - e. auctions or offers, attempts, or agrees to auction real estate,
 - f. controls the acceptance or deposit of rent from a resident of a single-family residential real property unit,
 - g. solicits listings of places for rent or lease,
 - h. solicits for prospective tenants, purchasers, or sellers, or
 - i. advertises or holds himself or herself out as engaged in such activities;

3. The term "broker associate" shall include any person who has
qualified for a license as a broker associate, and who is employed
engaged by, associated as an independent contractor with, or on
half of and with the permission of a broker to perform any act set
in the definition of a broker;

4. The term "business day" means any calendar day except for Saturday, Sunday, or any public holiday recognized by state or federal law;

1 5. The term "contract" means any agreement or arrangement,
2 including power of attorney, for the purchase, sale, or assignment
3 of real estate;

4 6. The term "homeowner" means any individual, entity, trust, or
5 partnership holding title to residential property;

6 7. The term "real estate sales associate" shall include any
7 person having a renewable license and employed or engaged by, or
8 associated as an independent contractor with, or on behalf of, a
9 broker to do or deal in any act, acts or transactions set out in the
10 definition of a broker;

11 5. 8. "Provisional sales associate" shall include any person
12 who has been licensed after June 30, 1993, employed or engaged by,
13 or associated as an independent contractor with, or on behalf of, a
14 broker to do or deal in any act, acts or transactions set out in the
15 definition of a broker and subject to an additional forty-five-
16 clock-hour postlicensing educational requirement to be completed
17 within the first twelve-month license term. However, the Oklahoma
18 Real Estate Commission shall promulgate rules for those persons
19 called into active military service for purposes of satisfying the
20 postlicensing educational requirement. The license of a provisional
21 sales associate shall be nonrenewable unless the postlicensing
22 requirement is satisfied prior to the expiration date of the
23 license. Further, the terms sales associate and provisional sales

1 associate shall be synonymous in meaning except where specific
2 exceptions are addressed in the Oklahoma Real Estate License Code;

3 6. 9. The term "successful completion" shall include
4 prelicense, postlicense, and distance education courses in which an
5 approved public or private school entity has examined the
6 individual, to the satisfaction of the entity and standards as
7 established by the Commission, in relation to the course material
8 presented during the offering;

9 7. 10. The term "renewable license" shall refer to a broker,
10 broker associate or sales associate who is a holder of such license
11 or to a provisional sales associate who has completed the
12 educational requirements within the required time period as stated
13 in the Code;

14 8. 11. The term "nonrenewable license" shall refer to a
15 provisional sales associate who is the holder of such license and
16 who has not completed the postlicense educational requirement within
17 the required time period as stated in the Code;

18 9. 12. The term "surrendered license" shall refer to a real
19 estate license which is surrendered, upon the request of the
20 licensee, due to a pending investigation or disciplinary
21 proceedings;

22 10. 13. The term "canceled license" shall refer to a real
23 estate license which is canceled, upon the request of the licensee

1 and approval of the Commission, due to a personal reason or
2 conflict;

3 11. 14. The term "publicly market" shall include all
4 advertisements and marketing conducted in a public or open manner or
5 place;

6 12. 15. "Licensee" shall include any person who performs any
7 act, acts or transactions set out in the definition of a broker and
8 licensed under the Oklahoma Real Estate License Code;

9 13. 16. The word "Commission" shall mean the Oklahoma Real
10 Estate Commission;

11 14. 17. The word "person" shall include and mean every
12 individual, partnership, association or corporation, foreign or
13 domestic;

14 15. 18. Masculine words shall include the feminine and neuter,
15 and the singular includes the plural; and

16 16. 19. The word "associate" shall mean a broker associate,
17 sales associate or provisional sales associate; and

18 20. The term "wholesaler" means any individual or entity
19 engaging in the business of securing, negotiating, or facilitating
20 the sale of residential real estate for the primary purpose of
21 transferring, assigning, or selling their equitable interest in the
22 property, directly or indirectly, for financial profit. This
23 includes any person or entity that:

- 1 a. enters into a contract to purchase residential real
2 estate with the intent of assigning or selling the
3 contractual rights to another party before taking
4 possession or legal ownership of such residential real
5 estate, and
- 6 b. engages in double closing. As used in this paragraph,
7 "double closing" means the wholesaler simultaneously
8 closes two separate transactions on the same property,
9 one with the original seller and one with the end
10 buyer, without the intent to reside in or otherwise
11 materially improve such residential real estate.

12 SECTION 2. NEW LAW A new section of law to be codified

13 in the Oklahoma Statutes as Section 858.314 of Title 59, unless
14 there is created a duplication in numbering, reads as follows:

15 A. A wholesaler shall:

- 16 1. Disclose in writing to the homeowner, before the execution
17 of any contract or written agreement, his or her intent to assign or
18 sell his or her equitable interest in the residential real estate
19 for a higher price than what is offered to the homeowner;
- 20 2. Provide a prominent written disclosure to the homeowner in
21 all written contracts between the parties stating that the homeowner
22 should seek legal advice before signing any contract concerning his
23 or her home; and

1 3. Disclose in writing to the homeowner that the homeowner has
2 the right to cancel the contract without penalty within seven (7)
3 business days after the execution of the contract.

4 B. A wholesaler shall not, directly or indirectly:

5 1. Act as an advisor or consultant, or in any other manner
6 representing that the wholesaler is acting on behalf of the
7 homeowner; or

8 2. Represent himself or herself as holding a certification or
9 license, or being a member of a licensed profession, without
10 possession of the certification or license.

11 C. The homeowner shall have the right to cancel the contract
12 without penalty within two (2) business days from the date of
13 execution of the contract.

14 D. The wholesaler shall be prohibited from placing any lien or
15 encumbrance on or otherwise clouding title of the property.

16 E. Any contract or agreement used by a wholesaler shall contain
17 the following:

18 1. The name, address, and telephone number of the wholesaler;
19 2. The address of the residence involved in the transaction;
20 3. The total consideration to be given by the wholesaler to the
21 homeowner;

22 4. A complete description of the terms of payment or other
23 consideration including, but not limited to, any services of any

1 nature which the wholesaler represents he or she will perform for
2 the seller before or after the sale; and

3 5. The following notice shall appear on the contract in
4 immediate proximity to the space reserved for the seller's signature
5 and shall be in at least twelve-point bold type if the contract is
6 typed or in capital letters if the contract is printed. The notice
7 shall contain the name of the wholesaler, the date and time by which
8 the contract shall be canceled, and the following language:

9 "NOTICE REQUIRED BY OKLAHOMA LAW: You may cancel this contract
10 at any time before midnight of _____ (Date).

11 _____ (Name of Wholesaler) or anyone working for

12 _____ (Name of Wholesaler) CANNOT ask you to sign or have
13 you sign any deed or any other document until your right to cancel
14 this contract has ended. See the attached notice of cancellation
15 form for an explanation of this right. You should always consult an
16 attorney or community organization before signing any legal
17 documents concerning your home. It is advisable that you find your
18 own attorney. The law requires this contract to contain the entire
19 agreement. You should not rely upon any other written or oral
20 agreement or promise."

21 F. Failure to include any of the required disclosures under
22 this section shall render the contract invalid and unenforceable by
23 the wholesaler and shall entitle the homeowner to any earnest money
24 deposit involved in the transaction. Any earnest money deposit or

1 security deposit by a wholesaler shall be kept in an escrow account
2 maintained in this state with a federally insured financial
3 institution. The homeowner may terminate the contract at any time
4 if the wholesaler fails to comply with the provisions of this
5 section.

6 G. The Oklahoma Real Estate Commission shall create, publish,
7 and provide on its website a notice of cancellation form, which
8 shall be included by the wholesaler with any contract. This form
9 shall be provided to the homeowner at no cost.

10 H. The Commission shall promulgate any rules necessary to
11 implement the provisions of this section.

12 SECTION 3. This act shall become effective November 1, 2025.

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14 COMMITTEE REPORT BY: COMMITTEE ON COMMERCE AND ECONOMIC DEVELOPMENT
OVERSIGHT, dated 04/16/2025 - DO PASS, As Amended.
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