

1 SECTION 1. AMENDATORY 71 O.S. 2021, Section 602, is
2 amended to read as follows:

3 Section 602. In this Code, unless the context otherwise
4 requires;

5 1. "Administrator" means the Administrator of the Department of
6 Securities;

7 2. "Advertising" means:

8 a. ~~any circular, prospectus, public offering statement,~~
9 ~~information, advertisement or other material or~~
10 ~~communication by radio, television, pictures,~~
11 ~~newspapers, magazines or similar media material~~
12 ~~published or designed for use in social media or a~~
13 ~~newspaper, magazine, or other periodical, or for~~
14 ~~radio, television, telephone solicitations or tape~~
15 ~~recordings, videotaped displays, signs, billboards,~~
16 ~~motion pictures, telephone directories other than~~
17 ~~routine listings, websites, other public media, and~~
18 ~~any other written or electronic communication~~
19 ~~distributed or made generally available to customers~~
20 ~~or the public and used in connection with a~~
21 disposition, an offer to dispose of, or any inducement
22 to any person to purchase or acquire an interest in
23 the title to any subdivided lands, including any
24 leasehold interest or land contract,

1 b. any material used to induce prospective purchasers to
2 visit any subdivided lands or submit to a presentation
3 by a subdivider or any of ~~his~~ the subdivider's
4 representatives or agents including but not limited to
5 websites, prospectuses, pamphlets, circulars, form
6 letters, market letters, telemarketing scripts,
7 seminar texts, research reports, surveys, performance
8 reports or summaries, and reprints or excerpts of any
9 other advertisement, sales literature, or published
10 material, and

11 c. the entire promotional plan for the disposition of
12 subdivided lands, including promotional displays at
13 public or private events, parties, dinners, or other
14 meetings;

15 Advertising shall not mean stockholder communications including, but
16 not limited to, annual reports and interim financial reports, proxy
17 materials, registration statements, securities prospectuses, and
18 application for listing securities on stock exchanges;
19 communications addressed to and relating to the account of any
20 persons who have previously executed a contract for the acquisition
21 of any of the subdivider's lands except where directed to the
22 disposition of additional lands; press releases or other
23 communications delivered to newspapers or other periodicals for
24 general information or public relations purposes, provided no charge

1 is made by and nothing of value is given to such newspapers, their
2 employees or other periodicals for the publication or use of any
3 part of such communication;

4 3. "Agent" means any person who, directly or indirectly,
5 disposes of, or offers to dispose of, or advertises for disposition
6 any lot in a subdivision and includes a real estate salesman, broker
7 or subdivider so engaged;

8 4. "Blanket encumbrance" means any trust deed, mortgage,
9 judgment, lien or other financial encumbrance securing or evidencing
10 debt and affecting lands to be subdivided or affecting more than one
11 lot of subdivided land, and any agreement by which the subdivider
12 holds more than one lot under an option, contract or deed, contract
13 to purchase or trust agreement. Blanket encumbrance shall not mean
14 a lien or other encumbrance arising as a result of the imposition of
15 a tax assessed by a public authority so long as no portion thereof
16 is past due;

17 5. "Commission" means the Oklahoma Securities Commission;

18 6. "Department" means the Department of Securities;

19 7. "Disposition" or "dispose of" means every sale, lease,
20 assignment, award by lottery, option, or exchange of a lot and every
21 contract for, or contract to do, any of the foregoing for value, or
22 when given as an incident of any of the foregoing;

23 ~~7. "License" means a subdivided land sales license as set forth~~
24 ~~in Article III of this Code;~~

1 8. "Lot" means any portion, parcel, piece, division, unit or
2 undivided interest in land if such interest includes the right to
3 the exclusive use of a specified portion of the land;

4 9. "Notice" means a communication from the Administrator.
5 Notice to a subdivider shall be deemed complete when personally
6 served upon ~~him~~ the subdivider or mailed to ~~him~~ the subdivider at
7 the last-known address on file with the Administrator;

8 10. "Offer" means any inducement, solicitation or attempt to
9 encourage a person to acquire an interest in a lot in a subdivision;

10 11. "Option" means, and is limited to, an offer to sell or
11 purchase respecting which a consideration of not more than fifteen
12 percent (15%) of the total purchase price is exchanged to guarantee
13 that the offer will not be withdrawn or revoked for an agreed period
14 of time;

15 12. "Person" means an individual, corporation, partnership,
16 association, joint stock company, or trust where the interests of
17 the beneficiaries are evidenced by a security, an unincorporated
18 organization, government, political subdivision of a government or
19 any other entity;

20 13. "Purchaser" means a person who acquires, attempts to
21 acquire, is solicited to acquire, or succeeds to any interest in a
22 lot in a subdivision, excluding a security interest;

23 14. "Subdivision" and "subdivided land" means any land,
24 wherever located, whether improved or unimproved, contiguous or not,

1 which is divided into lots or proposed to be divided for the purpose
2 of disposition pursuant to a common promotional scheme or plan of
3 advertising and disposition. If the land is designated or
4 advertised as a common unit or by a common name, the land shall be
5 presumed, without regard to the number of lots covered by each
6 individual offering, to be offered for disposition as part of a
7 common promotional plan. Where the context so requires, it shall
8 also include any lot in a subdivision and any interest therein; and

9 15. "Subdivider" means a person whose interest in subdivided
10 lands is advertised, offered, or disposed of by ~~himself~~ the
11 subdivider or another person.

12 SECTION 2. AMENDATORY 71 O.S. 2021, Section 625, is
13 amended to read as follows:

14 Section 625. Application for registration of subdivided land
15 shall be filed with the Administrator in such form as the
16 Administrator may require. The application shall contain the
17 following information and shall be accompanied by the following
18 documents and exhibits, in addition to the information which may be
19 required by the Administrator pursuant to subsection E of Section
20 627 of this title, the consent to service of process required by
21 subsection A of Section 664 of this title, and the fees required by
22 Section 652 of this title. To the extent that the information
23 required below is included in filings submitted to and approved by
24 the ~~Federal Office of Interstate Land Sales Registration~~ Consumer

1 Financial Protection Bureau, or its successors, such filing will be
2 accepted in lieu of a separate state filing:

3 1. The subdivider's name and address, form of business
4 organization, date and jurisdiction of its organization and name and
5 address of each of its offices and agents in this state;

6 2. The name, address, and principal occupation for the past
7 five (5) years of every director, officer or partner of the
8 subdivider or other person occupying a similar position or
9 performing similar functions, as well as for each owner of ten
10 percent (10%) or more of the equity of the subdivider; the extent
11 and nature of the interest of each of the foregoing persons in the
12 subdivider and in the subdivided lands as of a date specified by the
13 Administrator within thirty (30) days of filing of the application
14 for registration;

15 3. If any person named in paragraph 2 of this section has been
16 disciplined, debarred, censured, or suspended by any governmental
17 body or agency or convicted by any court for violation of a federal,
18 state, or local law or regulation in connection with activities
19 relating to land sales, land investment, securities sales or
20 registration, construction or sale of homes or home improvements, or
21 any other similar or related activity, a summary of the facts
22 relating thereto;

23 4. If any person named in paragraph 2 of this section has,
24 during the past thirteen (13) years, filed a petition in bankruptcy

1 or has had an involuntary petition in bankruptcy filed against ~~him~~
2 the person, or has been an officer, director, or controlling person
3 of a business entity which has become insolvent or has voluntarily
4 or involuntarily filed in bankruptcy, a summary of the facts
5 relating thereto;

6 5. The states or jurisdictions in which an application for
7 registration or similar document have been filed, including a copy
8 of any filing with the United States Securities and Exchange
9 Commission or ~~Federal Office of Interstate Land Sales Registration~~
10 the Consumer Financial Protection Bureau or the successors of
11 either, and a copy of any adverse order, judgment, order permitting
12 withdrawal, or decree of any court or regulatory authority in
13 connection with the offering of subdivided lands;

14 6. A legal description of the subdivided lands and the recorded
15 plat thereof, together with a map showing the division proposed to
16 be made, the dimensions of the lots, and the relation of the
17 subdivided lands to existing streets, roads, and other off-site
18 improvements, all verified by affidavit of an independent
19 professional land surveyor and a topographical map;

20 7. A statement in a form acceptable to the Administrator of the
21 condition of title to the land comprising the lots in this offering
22 and any common areas or facilities related to or included in this
23 offering, including a description of all encumbrances, easements,
24 covenants, conditions, reservations, limitations, or restrictions

1 applicable thereto. This requirement may be met by submission of
2 evidence of title in the form of a legal opinion, stating the
3 condition of title, prepared and signed by an attorney at law who is
4 experienced in the examination of titles, a member of the Bar
5 Association of the state in which the property is located and who is
6 not a salaried employee, partner, officer, or director either of the
7 subdivider or of any of its agents or affiliates; or by any other
8 evidence of title acceptable to the Administrator;

9 8. Copies of the instruments by which the subdivider's interest
10 in the subdivided land was acquired or, if required by the
11 Administrator, proof of marketable title to the subdivided lands;

12 9. A statement and such additional assurance as the
13 Administrator may require that the subdivider can convey or cause to
14 be conveyed to the purchaser, upon compliance with the terms of the
15 offer, the interest offered in the subdivided lands;

16 10. Copies of instruments which will be delivered to the
17 purchaser to evidence ~~his~~ interest in the subdivided lands and
18 copies of the contracts or other agreements which a purchaser will
19 be required to agree to or sign in connection with the offer or
20 disposition, together with the range of selling prices, rates or
21 rentals at which it is proposed to dispose of the lots, and a list
22 of fees the purchaser may be required to pay for membership in
23 groups including, but not limited to, homeowners' associations,
24 country clubs, golf courses, and other community organizations

1 associated with the subdivision, together with the description of
2 any qualifications for or restrictions on membership in any of the
3 foregoing;

4 11. A legal description of any lien or encumbrance affecting
5 the subdivision or any portion thereof and a statement in a form
6 acceptable to the Administrator of the efforts made or to be made to
7 remove such lien or encumbrance and the consequences to the
8 purchasers of the success or failure of the efforts to remove such
9 lien or encumbrance;

10 12. A summary of any easements or restrictions affecting any of
11 the subdivided lands and copies of any instruments creating,
12 altering, or removing such easements or restrictions;

13 13. Evidence and a statement thereof, in a form satisfactory to
14 the Administrator, indicating compliance with the zoning and other
15 governmental laws, ordinances, and regulations affecting the use of
16 the subdivided lands and adjacent properties, together with dates of
17 the most recent zoning or jurisdictional changes, the nature
18 thereof, any proposed changes now pending or known to be
19 contemplated, and any existing or proposed taxes, special taxes,
20 assessments, or levies of a similar nature affecting any of the
21 subdivided land;

22 14. Evidence and a statement thereof, in a form satisfactory to
23 the Administrator, indicating compliance with the requirements of
24 federal, state and local governments or agencies or

1 instrumentalities thereof which have authority to regulate or issue
2 permits or licenses which may have a material effect on the
3 subdivider's plans with respect to the proposed subdivision, its
4 facilities, common areas or improvements, specifically including
5 environmental protection agencies and required environmental impact
6 statements. If any permit, license, or approval of any of the
7 foregoing has been refused or conditioned, a summary of the reasons
8 therefor and the effect on the proposed subdivision shall also be
9 included;

10 15. A description of the land as it existed prior to any
11 changes in connection with the proposed subdivision and any changes
12 which have occurred or are contemplated in connection with the
13 proposed subdivision;

14 16. A statement, in a form suitable to the Administrator, of
15 the existing provisions for access to the subdivision, the
16 availability of sewage disposal facilities and other public
17 utilities including, but not limited to, water, electricity, gas and
18 telephone facilities, the proximity in miles of the subdivision to
19 nearby municipalities, the availability and scope of community fire
20 and police protection, the location of primary and secondary
21 schools, the improvements installed or to be installed, including
22 off-site and on-site community and recreational facilities, the
23 persons who are to install, maintain and pay for such improvements,
24 and the estimated schedule for completion;

1 17. If required by the Administrator's rule or order, a
2 performance or completion bond to assure that planned improvements
3 will be completed, in a form suitable to the Administrator;

4 18. Such financial statements of the subdivider as the
5 Administrator may require;

6 19. A narrative description of the promotional plan for the
7 disposition of the subdivided lands, together with duplicate copies
8 of all advertising material which has been prepared for public
9 distribution. The subject matter of advertising material which is
10 pictorial in nature shall be limited to a depiction of the actual
11 on-site conditions of the subdivided lands as of the date of the
12 filing of the material. No advertising shall be used until a copy
13 thereof has been allowed for use by the Administrator or a person
14 authorized by the Administrator as provided in Section 653 of this
15 title;

16 20. ~~Three copies~~ One copy of the proposed public offering
17 statement prepared in accordance with Section 626 of this title; and

18 21. Such additional information or exhibits as the
19 Administrator may require.

20 Any of the items required under this section may be incorporated
21 in the application for registration by reference provided that such
22 item is contained in the public offering statement and the
23 Administrator so allows.

24

1 SECTION 3. AMENDATORY 71 O.S. 2021, Section 626, is
2 amended to read as follows:

3 Section 626. A. It shall be unlawful for a person to dispose
4 of an interest in subdivided lands, pursuant to a registration under
5 this Code, unless a current public offering statement is delivered
6 to the purchaser at the expense of the subdivider or ~~his~~ the
7 subdivider's agent at least forty-eight (48) hours prior to any
8 sale, contract to sell or option to purchase and unless the
9 purchaser is afforded a reasonable opportunity to examine and is
10 permitted to retain the public offering statement. The subdivider
11 shall obtain and retain a receipt, signed by the purchaser,
12 acknowledging receipt of a copy of the public offering statement
13 prior to the execution by the purchaser of any contract or agreement
14 for the disposition of any lot in a subdivision, which receipt shall
15 be kept in the files of the subdivider and be subject to inspection
16 by the Administrator for a period of three (3) years from the date
17 the receipt is taken.

18 B. A public offering statement shall disclose fully and
19 accurately all material circumstances or features which affect the
20 subdivided lands or which would be a material consideration in
21 making the purchasing decision. The proposed public offering
22 statement shall be submitted to the Administrator as required by
23 paragraph 20 of Section 625 of this Code and shall be in such form
24

1 and contain such information as the Administrator by rule requires,
2 including:

3 1. The name, principal address, electronic mail address,
4 website address, and telephone number of the subdivider, ~~his~~ and the
5 subdivider's offices and agents in this state;

6 2. A general description of the subdivided lands including a
7 statement of the total number of lots to be offered;

8 3. A statement as to whether the subdivider holds any option to
9 purchase adjacent properties and, if so, a description of such
10 option and the location and zoning of the adjacent properties;

11 4. The assistance, if any, that the subdivider, ~~his~~ and the
12 subdivider's agents or affiliates will provide to the purchaser in
13 the resale of the property and the extent to which the subdivider,
14 ~~his~~ agents, or affiliates will be in competition in the event of
15 resale;

16 5. The material terms of any encumbrances, easements, liens,
17 and restrictions including zoning and other regulations affecting
18 the subdivided lands and each unit or lot, the efforts to remove
19 such liens or encumbrances, the results of the success or failure
20 thereof, and all existing taxes and existing or proposed special
21 taxes or assessments which affect the subdivided lands;

22 6. The use for which the property is to be offered;

23 7. Information concerning existing or proposed improvements
24 including, but not limited to, streets, water supply, levees,

1 drainage control systems, irrigation systems, sewage disposal
2 systems and customary utilities and the estimated cost, date of
3 completion, and responsibility for construction and maintenance of
4 existing and proposed improvements which are referred to in
5 connection with the offering or disposition of any lot in subdivided
6 lands;

7 8. Such financial statements of the subdivider as the
8 Administrator may require;

9 9. The topographic and climatic characteristics of the
10 subdivided lands and adjacent area;

11 10. A statement of the existing provisions for access of the
12 subdivision to community fire protection, the location of primary
13 and secondary schools, the proximity to municipalities and the
14 population thereof, the improvements installed or to be installed,
15 including off-site and on-site community and recreational
16 facilities, by whom they were or are to be installed, maintained or
17 paid for, and an estimate of completion thereof; and

18 11. Such additional information as may be required by the
19 Administrator including any of the information contained in the
20 application for registration.

21 C. The public offering statement shall not be used for any
22 promotional purpose before registration of the subdivided lands and
23 afterwards it shall be used only in its entirety. It shall be
24 unlawful for any person to advertise or represent that the

1 Administrator has approved or recommended the subdivided lands or a
2 disposition thereof. No portion of the public offering statement
3 may be underscored, italicized, or printed in larger or heavier or
4 different colored type than the remainder of the statement unless
5 required or approved by the Administrator.

6 D. The Administrator may require the subdivider or ~~his~~ the
7 subdivider's agent to alter or amend the proposed public offering
8 statement in order to provide full and fair disclosure to
9 prospective purchasers.

10 SECTION 4. AMENDATORY 71 O.S. 2021, Section 627, is
11 amended to read as follows:

12 Section 627. A. Within ninety (90) days from the date of
13 filing a completed application for registration, the Administrator
14 shall issue an order registering the subdivided lands or denying the
15 application for registration. If an order of denial is not issued
16 within ninety (90) days, the land shall be deemed registered unless
17 the applicant has consented to a delay or the application has been
18 withdrawn. If any amendment to the application for registration is
19 filed prior to the time when the land shall be deemed registered,
20 the application shall be deemed to have been filed when the
21 amendment was filed.

22 B. An application for registration may be filed by the
23 subdivider, ~~or~~ or any other person on whose behalf the sales are to be
24

1 made, ~~or a licensed subdivided land agent,~~ but the Administrator may
2 require that it be executed by the subdivider.

3 C. Any document filed under this Code within five (5) years
4 preceding the filing of an application for registration may be
5 incorporated by reference in the application for registration to the
6 extent that the document is currently accurate.

7 D. The Administrator may by rule or otherwise permit the
8 omission of any item of information or document from any application
9 for registration.

10 E. The Administrator may, as a condition of registration and at
11 the expense of the subdivider as specified in subsection A of
12 Section 652 of this title, investigate any subdivision required to
13 be registered under this Code for the purpose of verifying
14 statements contained in the application for registration and for the
15 protection of prospective purchasers. For the purposes of such
16 investigation, the Administrator may:

17 1. Require that a report or opinion by an independent
18 accountant, engineer, appraiser or other expert be prepared and
19 filed;

20 2. Make an examination of the business and records of the
21 applicant or subdivider;

22 3. Use and rely on any relevant information or data concerning
23 a subdivision obtained by ~~him~~ the Administrator from any federal,
24 state or local government or agency thereof;

1 4. Conduct an on-site inspection of each subdivision;

2 5. Conduct an annual on-site reinspection of each subdivision
3 for each of the three (3) years after the expiration date of the
4 registration or any renewal thereof;

5 6. Make on-site examinations or designate a representative to
6 make such examinations. Where additional technical, expert or
7 special services are used, the actual cost of such services may be
8 charged directly to and shall be paid by the ~~person~~ subdivider being
9 examined; and

10 7. Where an on-site inspection of any subdivision has been made
11 under this Code, an inspection of adjacent subdivided lands for
12 which a subsequent application for registration is filed may be
13 waived and an inspection thereof may be made at the time of the next
14 succeeding on-site inspection.

15 F. The Administrator may require that any subdivided lands be
16 sold by use of a specified form contract or agreement, and that a
17 signed copy or conformed copy of such signed copy be filed with ~~him~~
18 the Administrator or preserved by the subdivider for a period of up
19 to five (5) years.

20 G. The Administrator may by rule or otherwise impose other
21 conditions under which subdivided lands registered under this Code
22 may be sold, provided such conditions are reasonable and in the
23 public interest. The Administrator may require an escrow, trust or
24 similar arrangement to reasonably assure that all improvements

1 referred to in the application for registration will be completed
2 and that purchasers will receive the interests in land for which
3 they have contracted.

4 H. A registration is effective for one (1) year from its
5 effective date, or for such longer period as the Administrator may
6 permit by rule or order. No application for registration or
7 effective registration may be withdrawn at any time after its filing
8 unless permitted by rule or order of the Administrator. No
9 registration is effective during the time a stop order is in effect
10 under Section 628 of this title.

11 I. During the effective period of a registration, the
12 Administrator may by rule or order require the person who filed the
13 application for registration to file reports, not more often than
14 quarterly, to keep reasonably current the information contained in
15 the application for registration and to disclose the progress of the
16 sales. If any of the lands registered have been sold in this state,
17 the Administrator may by rule or order extend the period for filing
18 the reports for an additional period not exceeding two (2) years
19 from the date the registration became effective or the date of the
20 registration period's latest extension.

21 J. The subdivider or registrant shall immediately report to the
22 Administrator any material changes in the information contained in
23 the application for registration.

24

1 K. Upon the expiration of an effective registration, the
2 Administrator may renew the registration for an additional period of
3 one (1) year, provided the registrant is in compliance with this
4 Code, files such reports and applications as the Administrator may
5 require, and pays an annual renewal fee as required by Section 652
6 of this title, which fee shall not exceed the original registration
7 fee.

8 SECTION 5. AMENDATORY 71 O.S. 2021, Section 628, is
9 amended to read as follows:

10 Section 628. A. The Administrator may issue a stop order
11 denying effectiveness to, or suspending or revoking the
12 effectiveness of, any registration if he or she finds that the order
13 is in the public interest and that:

14 1. The registration statement as of its effective date or any
15 report under subsections I or J of Section 627 of this Code is
16 incomplete in any material respect or contains any statement which
17 was, in light of the circumstances under which it was made, false or
18 misleading with respect to any material fact;

19 2. Any provision of this Code or any rule, order, or condition
20 lawfully imposed under this Code has been willfully violated in
21 connection with the offer or disposition of subdivided lands by the
22 person filing the registration statement, by the subdivider, any
23 partner, officer or director of the subdivider, by any person
24 occupying a similar status or performing similar functions, by any

1 person directly or indirectly controlling or controlled by the
2 subdivider, or by any subdivided land sales agent or other person
3 involved directly or indirectly in the offer or disposition of
4 subdivided lands;

5 3. The subdivided lands are the subject of an administrative
6 stop order or similar order or a permanent or temporary injunction
7 of any court of competent jurisdiction entered under any federal or
8 state act applicable to the offer or disposition of the subdivided
9 lands. Provided, ~~that~~ however, the Administrator may not institute
10 a proceeding against an effective registration statement under this
11 paragraph more than one (1) year from the date of the order or
12 injunction relied on, and he or she may not enter an order under
13 this paragraph on the basis of an order or injunction entered under
14 any other state or federal act unless that order or injunction was
15 based on facts which would currently constitute a ground for a stop
16 order under this section;

17 4. The subdivider's enterprise or method of business includes
18 or would include activities which are illegal where performed;

19 5. The offer or disposition of the subdivided lands is or would
20 be unfair or inequitable to purchasers or has worked, tended to
21 work, or would work a fraud upon purchasers;

22 6. The disposition has been made or would be made with
23 unreasonable commissions or other unreasonable compensation;

24

1 7. The applicant or registrant has failed to pay the proper
2 filing fee. Provided, ~~that~~ however, the ~~Commissioner~~ Administrator
3 may enter only a denial order under this paragraph and he or she
4 shall vacate any such order when the deficiency has been corrected;

5 8. Advertising prohibited by Section 653 of this Code has been
6 used in connection with the offer or disposition of the subdivided
7 lands;

8 9. The financial condition of the subdivider or of any other
9 person connected with the offer or disposition of subdivided lands
10 adversely affects or would adversely affect the soundness of the
11 land purchase; or

12 10. The subdivider is not in compliance with federal, state, or
13 local environmental quality standards.

14 B. The Administrator may not institute a stop order proceeding
15 against an effective registration statement on the basis of a fact
16 or transaction known to ~~him~~ the Administrator when the registration
17 statement became effective unless the proceeding is instituted
18 within sixty (60) days.

19 C. In a proceeding for registration, within sixty (60) days of
20 the effective date of such registration statement, the applicant or
21 registrant has the burden of satisfying the requirements of
22 subsection A of this section.

23 D. The Administrator may issue a summary order denying,
24 postponing, suspending, or revoking the effectiveness of the

1 registration statement pending final determination of any proceeding
2 under this section. Upon the entry of the order, the Administrator
3 shall promptly notify each person specified in subsection E of this
4 section that the order has been entered, the reasons for the entry
5 of order, and that each such person has a right to request a hearing
6 under subsection A of Section 661 of this Code. If no hearing is
7 requested and none is ordered by the Administrator, the order will
8 remain in effect until it is modified or vacated by the
9 Administrator.

10 E. No stop order may be entered under this section except under
11 subsection D of this section unless there has been appropriate prior
12 notice to the applicant or registrant, to the subdivider and to the
13 person on whose behalf the lands are to be or have been offered, an
14 opportunity for hearings and the making of written findings of fact
15 and conclusions of law.

16 F. The Administrator may vacate or modify a stop order if he
17 finds that the conditions which prompted the stop order's entry have
18 changed or that it is otherwise in the public interest to do so.

19 SECTION 6. AMENDATORY 71 O.S. 2021, Section 631, is
20 amended to read as follows:

21 Section 631. ~~A.~~ It is unlawful for any person to transact
22 business in this state as an agent unless ~~he~~ the person has obtained
23 a real estate broker's or real estate sales associate's license from
24 ~~his~~ this state ~~of residence, if required, and has obtained a license~~

1 ~~under this Code to offer or dispose of subdivided lands, provided~~
2 that the provisions of this section shall not apply to a person
3 whose dealings relate solely to property exempt under Section 622 of
4 this title or to transactions exempt under Section 623 of this
5 title.

6 ~~B. Every license expires on the thirtieth day of June following~~
7 ~~the date of issuance. It may be renewed under such rules as the~~
8 ~~Administrator may establish.~~

9 ~~C. Any license may be suspended, revoked or denied as provided~~
10 ~~in Section 634 of this title.~~

11 ~~D. The Administrator may, by rule or order, exempt from the~~
12 ~~requirements of this section persons as to whom he finds licensing~~
13 ~~under this Code is not necessary for the protection of purchasers.~~

14 SECTION 7. AMENDATORY 71 O.S. 2021, Section 633, is
15 amended to read as follows:

16 Section 633. A. Agents shall make and keep all accounts,
17 correspondence, memoranda, papers, books and other records as the
18 Administrator by rule requires and shall keep them for at least six
19 (6) years, and for the first three (3) years in a readily accessible
20 location, unless the Administrator by rule prescribes otherwise.
21 The Administrator may require that copies of any such records be
22 provided by the agent to the subdivider for retention and inspection
23 by the Administrator under such rules as ~~he~~ the Administrator may
24 prescribe. All required records shall be made available to the

1 Administrator upon request for ~~his~~ inspection at his or her office
2 or such other place as he or she may require. The Administrator may
3 accept copies of records at his or her discretion.

4 B. ~~Every agent shall file such reports as the Administrator by~~
5 ~~rule prescribes.~~

6 C. ~~If the information contained in any application for a~~
7 ~~license or other document filed with the Administrator is or becomes~~
8 ~~inaccurate or incomplete in any material respect, the licensee shall~~
9 ~~file a corrective amendment within ten (10) days.~~

10 D. ~~The Administrator may make periodic examinations, within or~~
11 ~~without this state, of the business and records of each licensed~~
12 ~~agent at such times and in such scope as he determines. The~~
13 ~~examinations may be made without prior notice. The Administrator~~
14 ~~shall charge all expenses incurred in such examination to the~~
15 ~~licensed agent whose business is being examined in the amount as~~
16 ~~provided in Section 652 of this title. For the purpose of avoiding~~
17 ~~unnecessary duplication of examinations, the Administrator, insofar~~
18 ~~as he deems practicable, may cooperate with other regulatory~~
19 ~~agencies. The Administrator may not be compelled to make public the~~
20 ~~information obtained in the course of the examinations except when~~
21 ~~his duty under this Code requires him to take action regarding an~~
22 ~~agent or to make information available to other regulatory agencies,~~
23 ~~or when the Administrator is called as a witness in any criminal~~
24 ~~proceeding.~~

1 ~~E.~~ The Administrator may prescribe rules for the conduct of
2 business by agents as he or she finds appropriate in the public
3 interest for the protection of purchasers.

4 SECTION 8. AMENDATORY 71 O.S. 2021, Section 642, is
5 amended to read as follows:

6 Section 642. No ~~agent~~ person may offer or dispose of lots
7 within a subdivision required to be registered under this Code which
8 is subject to a blanket encumbrance, option or contract for deed
9 unless such offer or disposition is in compliance with such rules as
10 may be prescribed by the Administrator for the protection of
11 purchasers.

12 SECTION 9. AMENDATORY 71 O.S. 2021, Section 652, is
13 amended to read as follows:

14 Section 652. A. Unless otherwise provided by law, the
15 following are the fees that shall be charged by the Administrator
16 pursuant to the Oklahoma Subdivided Land Sales Code. No additional
17 fees shall be assessed or charged pursuant to rule or regulation of
18 the Administrator. Once paid, such fees shall be nonrefundable.

- 19 1. ~~Agent License registration fee or renewal fee...\$30.00~~
- 20 2. ~~Agent License examination fee.....\$30.00~~
- 21 ~~3.~~ Filing fee for advertising or promotional materials \$10.00
- 22 4. 2. Exemption notification filing fee.....\$250.00
- 23 ~~5.~~ 3. Interpretive opinion or no-action request...\$250.00
- 24 ~~6.~~ 4. Affidavit request.....\$10.00

1 ~~12.~~ 10. Charges for an on-site examination of a subdivision
2 conducted pursuant to Section 627 of this title ~~or of a licensed~~
3 ~~agent pursuant to Section 633 of this title,~~ shall be billed to the
4 ~~person~~ subdivider being examined at a rate of \$25.00 per hour per
5 employee for the time spent by each Department employee in traveling
6 to and from the examination site, conducting the examination, and
7 preparing the examination report. In addition, the Department shall
8 be reimbursed for all actual expenses incurred in conducting such
9 examinations, including travel expenses, per diem, lodging, and
10 other related expenses of Department employees conducting the
11 examination, the cost of supplies, materials, photocopying, long
12 distance telephone calls, and postage; and costs of technical,
13 expert or special services required in connection with such
14 examination.

15 B. All fees and other charges collected by the Administrator
16 pursuant to this section shall be deposited in the General Revenue
17 Fund except for the following fees and charges which shall be
18 deposited in the Oklahoma Department of Securities ~~Commission~~
19 Revolving Fund established pursuant to Section ~~412~~ 1-612 of this
20 title:

21 1. The fees collected pursuant to paragraphs ~~5, 6, 7, 8 and 9~~
22 3, 4, 5, 6, and 7 of subsection A of this section;

23
24

1 2. The fees collected pursuant to the provisions of ~~Sections~~
2 Section 627 and 633 of this title as provided in paragraph ~~12~~ 10 of
3 subsection A of this section; and

4 3. The examination fees collected pursuant to subparagraph a of
5 paragraph ~~10~~ 8 and subparagraph a of paragraph ~~11~~ 9 of subsection A
6 of this section.

7 SECTION 10. AMENDATORY 71 O.S. 2021, Section 655, is
8 amended to read as follows:

9 Section 655. Neither the fact that a registration statement ~~or~~
10 ~~an application for a license~~ has been filed nor the fact that any
11 subdivided lands are registered ~~or that any person is licensed~~
12 constitutes a finding by the Administrator that any document filed
13 under this Code is true, complete, and not misleading. Neither any
14 such fact nor the fact that an exemption or exclusion is available
15 for ~~an agent,~~ subdivided land, ~~or a transaction~~ means that the
16 Administrator has passed in any way upon the merits or
17 qualifications of, or recommended or given approval to, any person,
18 subdivided land or transaction. It is unlawful to make, or cause to
19 be made, to any prospective purchaser, any representation
20 inconsistent with the foregoing.

21 SECTION 11. AMENDATORY 71 O.S. 2021, Section 660, is
22 amended to read as follows:

23 Section 660. If the Administrator has reason to believe that
24 any offer or disposition of subdivided land required to be

1 registered under this Code is or would be fraudulent to purchasers,
2 ~~he~~ the Administrator may by order summarily prohibit further offers
3 or dispositions in this state of such land until it is registered
4 under this Code. If the Administrator has reason to believe that
5 any subdivided land is being offered or disposed of in this state by
6 any ~~unlicensed~~ person in violation of this Code or any rule or order
7 hereunder, he or she may by order summarily prohibit such person
8 from further offers or dispositions in this state of such subdivided
9 lands until ~~he~~ the person is licensed as required under this Code.

10 SECTION 12. AMENDATORY 71 O.S. 2021, Section 662, is
11 amended to read as follows:

12 Section 662. A. The Administrator may make, amend, and rescind
13 any rules, forms and orders that are necessary to carry out this
14 Code, including rules and forms governing applications for
15 registration ~~or licensing~~, reports and defining any terms, whether
16 or not used in this Code, insofar as the definitions are not
17 inconsistent with this Code. For the purpose of rules and forms,
18 the Administrator may classify subdivided lands, persons, and
19 matters within his or her jurisdiction, and prescribe different
20 requirements for different classes.

21 B. No rule, form, or order may be made, amended, or rescinded
22 unless the Administrator finds that the action is necessary or
23 appropriate in the public interest and for the protection of
24 purchasers. In prescribing rules and forms, the Administrator may

1 cooperate with regulatory agencies of other units of government with
2 a view to achieving maximum uniformity in the form and content of
3 registration statements, applications, and reports wherever
4 practicable.

5 C. The Administrator may by rule or order prescribe the form
6 and content of financial statements required under this Code, the
7 circumstances under which consolidated financial statements shall be
8 filed, and whether any required financial statements shall be
9 certified by independent or certified public accountants. All
10 financial statements shall be prepared in accordance with generally
11 accepted accounting practices unless otherwise permitted by rule or
12 order.

13 D. No provision of this Code imposing any liability applies to
14 any act done or omitted in good faith and conformity with any rule,
15 form, or order of the Administrator, notwithstanding that the rule,
16 form, or order may later be amended or rescinded or be determined to
17 be invalid for any reason.

18 E. All rules and forms of the Administrator shall be published.

19 SECTION 13. AMENDATORY 71 O.S. 2021, Section 663, is
20 amended to read as follows:

21 Section 663. A. A document is filed when it is received by the
22 Administrator.

23 B. The Administrator shall keep a ~~register~~ record of all
24 licenses and registration statements which are or have ever been

1 effective under this Code and all denial, suspension, or revocation
2 orders which have been entered under this Code. The ~~register~~ record
3 shall be open for public inspection.

4 C. The information contained in or filed with any application
5 for registration, ~~licensing~~ or report shall be made available to the
6 public in accordance with rules prescribed by the Administrator.

7 D. Subject to the provisions of subsection D of Section 633 of
8 this Code, the Administrator upon request shall furnish to any
9 person at a reasonable charge ~~photostatic or other~~ copies, certified
10 under ~~his~~ the seal of office of the Administrator, if certification
11 is requested, of any entry in the ~~register~~ record or any order on
12 file in ~~his~~ the office of the Administrator. Any copy so certified
13 is admissible in evidence in trials and other proceedings.

14 E. The Administrator may honor requests from interested persons
15 for interpretative opinions.

16 SECTION 14. AMENDATORY 71 O.S. 2021, Section 664, is
17 amended to read as follows:

18 Section 664. A. Every applicant for a ~~license or~~ registration
19 under this Code shall file with the Administrator, in such form as
20 ~~he~~ prescribed by rule ~~prescribes~~, an irrevocable consent appointing
21 the Administrator or ~~his~~ successor in office to be his or her
22 attorney to receive service of any lawful process in any noncriminal
23 suit, action or proceeding against ~~him~~ the applicant or his or her
24 successor, executor, or administrator which arises under this Code

1 or any rule or order issued hereunder after the consent has been
2 filed, with the same validity as if served personally on the person
3 filing the consent. The consent need not be filed by a person who
4 has filed a consent in connection with a previous registration ~~or~~
5 ~~license~~ which is then in effect. Service may be made by leaving a
6 copy of the process in the office of the Administrator, but is not
7 effective unless the plaintiff, who may be the Administrator in the
8 suit, action, or proceeding instituted by him or her, promptly sends
9 notice of the service and a copy of the process by registered or
10 certified mail to the defendant or respondent at ~~his~~ the last
11 address on file with the Administrator, and the plaintiff's
12 affidavit of compliance with this subsection is filed in the case on
13 or before the return of the process, or within such time as the
14 court allows.

15 B. When any person~~r~~ including any nonresident in this state,
16 engages in conduct prohibited or made actionable by this Code or any
17 rule or order hereunder, and ~~he~~ has not filed a consent to service
18 of process under subsection A of this section and personal
19 jurisdiction over ~~him~~ the person cannot otherwise be obtained in
20 this state, that conduct shall be considered equivalent to ~~his~~
21 appointment of the Administrator to be ~~his~~ the person's attorney to
22 receive service of any lawful process in any noncriminal suit,
23 action, or proceeding against ~~him~~ the person or his or her
24 successor, executor, or administrator which arises out of that

1 conduct and which is brought under this Code or any rule or order
2 hereunder, with the same validity as if served on ~~him~~ the person
3 personally. Service may be made by leaving a copy of the process in
4 the office of the Administrator, but it is not effective unless the
5 plaintiff, who may be the Administrator in a suit, action, or
6 proceeding instituted by ~~him~~ the Administrator, promptly sends
7 notice of the service and a copy of the process by registered or
8 certified mail to the defendant or respondent at ~~his~~ the last-known
9 address or takes other steps which are reasonably calculated to give
10 actual notice, and the plaintiff's affidavit of compliance with this
11 subsection is filed in the case on or before the return day of the
12 process or within such time as the court allows.

13 C. When process is served under this section, the court or the
14 Administrator in a proceeding before ~~him~~ the Administrator, shall
15 order such continuance as is necessary to afford the defendant or
16 respondent reasonable opportunity to defend.

17 SECTION 15. REPEALER 71 O.S. 2021, Sections 632 and 634,
18 are hereby repealed.

19 SECTION 16. This act shall become effective November 1, 2022.
20

21 COMMITTEE REPORT BY: COMMITTEE ON BUSINESS AND COMMERCE, dated
22 04/06/2022 - DO PASS.
23
24