

1 ENGROSSED SENATE AMENDMENTS
TO
2 ENGROSSED HOUSE
BILL NO. 2288

By: Pfeiffer and Pae of the
House

and

Howard, Newhouse, and Young
of the Senate

[conveyances - discriminatory restrictive covenants
in real estate transactions - property deed tax
exemptions - codification - effective date]

13 AUTHOR: Add the following House Coauthor: Roberts

14 AMENDMENT NO. 1. Page 1, restore the title

15 AMENDMENT NO. 2. Page 1, line 19, delete after the word
"restrictive" and before the word "pursuant", the
16 word "covenants" and insert the word "covenant"

17 AMENDMENT NO. 3. Page 1, line 21, insert after the word "the" and
before the word "permission", the words "written
18 and notarized"

19 AMENDMENT NO. 4. Page 1, line 22, delete after the word
"restrictive" and before the word "illegal", the
20 words "covenants are" and insert the words
"covenant is"

21 AMENDMENT NO. 5. Page 2, line 3, delete after the word "estate" and
22 before the word "conveyance", the word
"transaction,"

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- 1 AMENDMENT NO. 6. Page 2, line 6, delete before the word
2 "contained", the word "covenants" and insert the
word "covenant"
- 3 AMENDMENT NO. 7. Page 2, line 7, delete before the word
4 "conveyance", the word "transaction,"
- 5 AMENDMENT NO. 8. Page 2, line 8, delete after the word "estate" and
6 before the word "conveyance", the word
"transaction,"
- 7 AMENDMENT NO. 9. Page 2, line 14, delete before the word
8 "discriminatory", the word "Any" and insert the
word "All"
- 9 AMENDMENT NO. 10. Page 2, line 18, delete before the word
10 "discriminatory", the word "certain" and insert
the word "the"
- 11 AMENDMENT NO. 11. Page 3, line 2, delete after the word "remove" and
12 before the word "discriminatory", the word
"certain" and insert the word "the"
- 13 AMENDMENT NO. 12. Page 3, line 5, delete after the word "REMOVE" and
14 before the word "DISCRIMINATORY", the word
"CERTAIN"
- 15 AMENDMENT NO. 13. Page 3, line 16, delete after the word
16 "instrument" and before the word "declared", the
word "is" and insert the word "are"
- 17 AMENDMENT NO. 14. Page 7, line 1, delete after the number "15." and
18 before the word "to" , the word "Declaration" and
inserting the word "Declarations"
- 19 AMENDMENT NO. 15. Page 7, line 1, delete after the word "remove" and
20 before the word "discriminatory", the word
"certain"
- 21 and amend the restored title to conform
- 22
- 23
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1 Passed the Senate the 26th day of April, 2023.

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3 _____
4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2023.

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8 _____
9 Presiding Officer of the House
10 of Representatives

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

14 SECTION 1. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 54 of Title 16, unless there is
16 created a duplication in numbering, reads as follows:

17 A person who owns real property or an interest in real property
18 for which the title includes a recorded conveyance instrument
19 containing an illegal discriminatory restrictive covenants pursuant
20 to the Fair Housing Act, 42 U.S.C. Section 3601 et seq., or another
21 person with the permission of the owner, may declare that the
22 discriminatory restrictive covenants are illegal and unenforceable
23 and should be removed. The declaration shall be filed with the
24 clerk of the county where the property is located.

1 An illegal discriminatory restrictive covenant is not
2 enforceable in this state, and all discriminatory restrictive
3 covenants contained in any real estate transaction, conveyance or
4 instrument recorded in this state are unlawful, are unenforceable,
5 and are declared null and void. Any discriminatory restrictive
6 covenants contained in a previously recorded real estate
7 transaction, conveyance or instrument is extinguished and severed
8 from the recorded real estate transaction, conveyance or instrument
9 and the remainder of the title transaction remains enforceable and
10 effective.

11 SECTION 2. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 55 of Title 16, unless there is
13 created a duplication in numbering, reads as follows:

14 Any discriminatory restrictive covenants prohibited by Section 1
15 of this act may be declared illegal and unenforceable and considered
16 removed from the instrument by the owner of real property subject to
17 such restrictive covenants by recording a declaration to remove
18 certain discriminatory restrictive covenants. The real property
19 owner may record such declaration:

20 1. Prior to recordation of a deed conveying real property to a
21 purchaser; or

22 2. When such real property owner discovers that such
23 discriminatory restrictive covenants exist.

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1 State of Oklahoma,)

2) ss.

3 _____ County.)

4 Before me, _____ in and for this state, on this _____ day of _____,

5 _____ personally appeared _____ to me known to be the

6 identical person(s) who executed the within and foregoing

7 instrument, and acknowledged to me that _____ executed the same as

8 _____ free and voluntary act and deed for the uses and purposes

9 therein set forth.

10 SECTION 3. AMENDATORY 68 O.S. 2021, Section 3202, is

11 amended to read as follows:

12 Section 3202. The tax imposed by Section 3201 of this title

13 shall not apply to:

14 1. Deeds recorded prior to the effective date of Sections 3201

15 through 3206 of this title;

16 2. Deeds which secure a debt or other obligation;

17 3. Deeds which, without additional consideration, confirm,

18 correct, modify or supplement a deed previously recorded;

19 4. Deeds between husband and wife, or parent and child, or any

20 persons related within the second degree of consanguinity, without

21 actual consideration therefor, deeds between any person and an

22 express revocable trust created by such person or such person's

23 spouse or deeds pursuant to which property is transferred from a

24 person to a partnership, limited liability company or corporation of

1 which the transferor or the transferor's spouse, parent, child, or
2 other person related within the second degree of consanguinity to
3 the transferor, or trust for primary benefit of such persons, are
4 the only owners of the partnership, limited liability company or
5 corporation. However, if any interest in the partnership, limited
6 liability company or corporation is transferred within one (1) year
7 to any person other than the transferor or the transferor's spouse,
8 parent, child, or other person related within the second degree of
9 consanguinity to the transferor, the seller shall immediately pay
10 the amount of tax which would have been due had this exemption not
11 been granted;

12 5. Tax deeds;

13 6. Deeds of release of property which is security for a debt or
14 other obligation;

15 7. Deeds executed by American Indians in approval proceedings
16 of the district courts or by the Secretary of the Interior;

17 8. Deeds of partition, unless, for consideration, some of the
18 parties take shares greater in value than their undivided interests,
19 in which event a tax attaches to each deed conveying such greater
20 share computed upon the consideration for the excess;

21 9. Deeds made pursuant to mergers of partnerships, limited
22 liability companies or corporations;

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1 10. Deeds made by a subsidiary corporation to its parent
2 corporation for no consideration other than the cancellation or
3 surrender of the subsidiary's stock;

4 11. Deeds or instruments to which the State of Oklahoma or any
5 of its instrumentalities, agencies or subdivisions is a party,
6 whether as grantee or as grantor or in any other capacity;

7 12. Deeds or instruments to which the United States or any of
8 its agencies or departments is a party, whether as grantor or as
9 grantee or in any other capacity, provided that this shall not
10 exempt transfers to or from national banks or federal savings and
11 loan associations;

12 13. Any deed executed pursuant to a foreclosure proceeding in
13 which the grantee is the holder of a mortgage on the property being
14 foreclosed, or any deed executed pursuant to a power of sale in
15 which the grantee is the party exercising such power of sale or any
16 deed executed in favor of the holder of a mortgage on the property
17 in consideration for the release of the borrower from liability on
18 the indebtedness secured by such mortgage except as to cash
19 consideration paid; provided, however, the tax shall apply to deeds
20 in other foreclosure actions, unless otherwise hereinabove exempted,
21 and shall be paid by the purchaser in such foreclosure actions; ~~or~~

22 14. Deeds and other instruments to which the Oklahoma Space
23 Industry Development Authority or a spaceport user, as defined in
24 the Oklahoma Space Industry Development Act, is a party; or

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15. Declaration to remove certain discriminatory restrictive covenants pursuant to Section 2 of this act.

SECTION 4. This act shall become effective November 1, 2023.

Passed the House of Representatives the 21st day of March, 2023.

Presiding Officer of the House
of Representatives

Passed the Senate the ___ day of _____, 2023.

Presiding Officer of the Senate