STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

POLICY COMMITTEE RECOMMENDATION FOR

HOUSE BILL NO. 2800

By: Marti

6

1

2

3

4

5

7

9

10

11

12

1.3

14

15

16

17

18

19

20

2.1

22

8 POLICY COMMITTEE RECOMMENDATION

An Act relating to property; requiring the retention of certain documents; requiring accessibility to certain documents; providing time frame to provide documents to certain parties; requiring notification to homeowners of adoption of an update of a covenant, condition, or restriction by an owners association; providing for disclosing of certain fees; limiting fee amounts; prohibiting fee for certain document; providing for fees of good standing documents; providing fee for providing certain disclosure documents; prohibiting the restrictive covenants which limit the fair economic use of a property; requiring an owners association to issue to a settlement services provider a statement stating that a homeowner is in good standing; requiring the disclosure by certain parties of the fee structure surrounding operation of an owners association and any potential charges to homeowner; requiring the disclosure by certain parties of the fines for violations of the owners association's covenants, conditions, and restrictions; limiting how many times a fine structure may be updated; requiring certain notification of certain meeting; amending 60 O.S. 2021, Section 857, which relates to copies of recorded covenants and restrictions; modifying terminology; providing for codification; and providing an effective date.

23

2.4

Req. No. 12828

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

- SECTION 1. NEW LAW A new section of law to be codified
 in the Oklahoma Statutes as Section 857.1 of Title 60, unless there
 is created a duplication in numbering, reads as follows:
 - Copies or certified copies of all the recorded covenants, conditions, and restrictions of a real estate development, including any recorded amendments and addendums to the documents, shall be retained by the managing entity of a real estate development and shall be accessible electronically within a reasonable amount of time, not to exceed seventy-two (72) hours beyond receipt of request, to all parties to a home transaction or a property owner whose property falls within such development.
- SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 857.2 of Title 60, unless there is created a duplication in numbering, reads as follows:
 - Notification to all homeowners within an owners association's jurisdiction shall be required of an owners association within five (5) business days upon adoption of an update of covenants, conditions, and restrictions.
 - SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 857.3 of Title 60, unless there is created a duplication in numbering, reads as follows:
 - All entities tasked with managing an owners association shall disclose individual fees assessed by an owners association or a

third-party management company and the limit on each individual fee shall be no more than One Hundred Seventy-five Dollars (\$175.00).

Fees shall not include any fines, assessments or services.

1.3

Upon request of documents reporting the condition of a property for sale, a homeowner shall not be charged a fee for a report on said property.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 857.4 of Title 60, unless there is created a duplication in numbering, reads as follows:

An owners association shall not pass restrictive covenants which limit the fair economic use of a property, including the right to rent a property either long-term or short-term or as the office of an in-home business.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 857.5 of Title 60, unless there is created a duplication in numbering, reads as follows:

An owners association shall keep records with regard to the financial condition of the owners association, including audits, and records with regard to dues and any outstanding assessments or fines, to be updated at least quarterly. Upon written request by the owner or owners' authorized agent, an owners association shall issue a statement to the requesting party ensuring that a homeowner is in good standing with regard to dues and any outstanding assessments or fines. Said statement shall be provided to the

```
requesting owner or owners' authorized agent within seven (7) days
of request and shall not be accompanied by charges in excess of
Fifty Dollars ($50.00) for each completed request.
```

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 857.6 of Title 60, unless there is created a duplication in numbering, reads as follows:

Owner associations or managing entities of owners associations shall delineate in documents for the association the fee structure surrounding operation of the owners association and any potential charges to homeowners arising therefrom.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 857.7 of Title 60, unless there is created a duplication in numbering, reads as follows:

Owners associations or managing entities of homeowners associations shall delineate in documents for the association the schedule of fines for violations of the owners association's covenants, conditions, and restrictions. Updates to fine structures shall not occur more than once per calendar year at an annual owners association meeting. Owners shall be notified of such meetings under requirements set forth under Title 18 of the Oklahoma Statutes.

SECTION 8. AMENDATORY 60 O.S. 2021, Section 857, is amended to read as follows:

```
1
        Section 857. A copy Copies or a certified copy copies of all
 2
    the recorded covenants and restrictions of a real estate
 3
    development, including any recorded amendments and addendums to
 4
    these documents, that are referenced in the commitment for title
 5
    insurance shall be provided by the title company settlement services
 6
    provider closing the sale to the buyer of property in the real
 7
    estate development as a part of the closing of the real estate sale.
 8
    The buyer may be charged no more than Twenty-five Dollars ($25.00)
 9
    for the <del>copy, and the copy</del> copies. In the event that certified
10
    copies are requested, a settlement services provider may also charge
    the cost incurred for obtaining said copies from the county clerk.
11
12
    The copies shall either be provided prior to or at the time of
13
    closing either by mail to the buyer's last-known address, hand-
14
    delivered or electronically delivered.
15
        SECTION 9. This act shall become effective November 1, 2025.
16
17
        60-1-12828
                               02/20/25
                       GRS
18
19
20
2.1
22
23
24
```