

1 ENGROSSED HOUSE
2 BILL NO. 1177

By: Stark of the House

3 and

4 Reinhardt of the Senate

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7 An Act relating to the Prohibition of Unfair Service
8 Agreements Act; amending Section 5, Chapter 148,
9 O.S.L. 2024 (16 O.S. Supp. 2024, Section 305), which
10 relates to prohibiting the recording of unfair
11 service agreements; authorizing the refusal of
12 certain notice and memorandum; providing exemption
13 from liability under certain circumstances; adding
14 notices and memorandums to actual or constructive
15 notice provision; making unfair service agreements,
16 notices, and memorandums void when recorded; and
17 providing an effective date.

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

19 SECTION 1. AMENDATORY Section 5, Chapter 148, O.S.L.
20 2024 (16 O.S. Supp. 2024, Section 305), is amended to read as
21 follows:

22 Section 305. 1. Recording an unfair service agreement is
23 prohibited. No person shall record or cause to be recorded an
24 unfair service agreement or notice or memorandum thereof in this
state;

2. A county clerk's office shall refuse to accept for
recordation an unfair service agreement or notice or memorandum;

1 3. In the event that a county clerk does accidentally record an
2 unfair service agreement or notice or memorandum, the county clerk
3 shall incur no liability for doing so; ~~and~~

4 4. If an unfair service agreement or notice or memorandum is
5 recorded in this state, it shall not provide actual or constructive
6 notice against an otherwise bona fide purchaser ~~or~~, creditor, or
7 title company; and

8 5. If an unfair service agreement or notice or memorandum is
9 recorded in this state it shall be considered void.

10 SECTION 2. This act shall become effective November 1, 2025.

11 Passed the House of Representatives the 24th day of March, 2025.

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Presiding Officer of the House
of Representatives

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16 Passed the Senate the ____ day of _____, 2025.

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Presiding Officer of the Senate

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