

1 **SENATE FLOOR VERSION**

2 February 11, 2025

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 274

By: Rader of the Senate

and

West (Tammy) of the House

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9 An Act relating to landlord and tenant; amending 41
10 O.S. 2021, Section 201, which relates to lease
11 conditions for tenant felony conviction; requiring
12 criminal history screening policy for award of
13 certain tax credit; requiring certain components for
14 screening policy; prohibiting inclusion of certain
15 statements; requiring consideration of certain
16 factors in individualized review; requiring review of
17 certain plans by Oklahoma Housing Finance Agency;
18 updating statutory language; and providing an
19 effective date.

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

21 SECTION 1. AMENDATORY 41 O.S. 2021, Section 201, is
22 amended to read as follows:

23 Section 201. A. The owner of any real property, ~~including any~~
24 ~~improvements~~ consisting of dwelling units, acquired or improved in
connection with an allocation of income tax credits pursuant to the
provisions of Section 42 of the Internal Revenue Code of 1986, as
amended, or in connection with an allocation of income tax credits

1 pursuant to the provisions of Section 2357.403 of Title 68 of the
2 Oklahoma Statutes shall have the right to impose conditions in any
3 lease agreement for the occupancy of any dwelling located on real
4 property as described by this section which allow the owner to
5 accept or decline to enter into the lease agreement, or to terminate
6 a previously executed lease agreement based upon the discovery of
7 incomplete or false information, with respect to the prior felony
8 conviction of any person identified as a tenant pursuant to the
9 terms of the lease agreement, including occupants of the dwelling
10 whether or not those occupants formally execute a lease agreement.

11 B. The owner of real property as described in subsection A of
12 this section may either accept or decline to enter into a lease
13 agreement or to terminate a previously executed lease agreement
14 based upon felony convictions, whether pursuant to federal law or
15 the laws of any state or other governmental jurisdiction, for the
16 following types of offenses:

- 17 1. Possession of any drug or chemical;
- 18 2. Possession of any drug or chemical with intent to
19 manufacture or distribute;
- 20 3. Sex offenses, including, but not limited to, any form of
21 sexual assault, rape, indecent exposure, or other sexually related
22 offense if such offense was a felony;
- 23 4. Assault or battery or both if the offense was a felony;
- 24 5. Any felony involving violence against another person; and

1 6. Such other felony offenses as the owner of the real property
2 as described in subsection A of this section includes in the terms
3 of the lease agreement.

4 C. The provisions of this section shall supersede the
5 administrative rule of any state agency, board, commission,
6 department, statewide beneficiary public trust or other entity of
7 state government to the extent of any conflict.

8 D. The provisions of subsections A and B of this section shall
9 be applicable with respect to lease transactions occurring on or
10 after ~~the effective date of this act~~ April 29, 2019, without regard
11 to the construction date of the improvements to real property as
12 described by subsection A of this section.

13 E. For awards beginning on or after January 1, 2026, an award
14 recipient for the income tax credits pursuant to the provisions of
15 Section 42 of the Internal Revenue Code of 1986, as amended, or in
16 connection with income tax credits allocated pursuant to Section
17 2357.403 of Title 68 of the Oklahoma Statutes shall have a clearly
18 defined criminal history screening policy in a tenant selection plan
19 that establishes criteria for renting to prospective residents and
20 shall include, but not be limited to, the following:

21 1. An individualized review that considers the safety of
22 residents and property; provided, an applicant with a criminal
23 conviction may be denied housing only after conducting such review;
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1 2. The amount of time following a conviction during which
2 criminal records will be considered in determining the approval of a
3 lease application; and

4 3. An established procedure for conducting individualized
5 reviews of applicants with a criminal record which shall include,
6 but not be limited to, a notification to the applicant that an
7 individualized review will be conducted and the right of the
8 applicant to provide supporting documentation and mitigating
9 evidence for the individualized review.

10 The screening policy shall not include any statements such as
11 "Any applicants with criminal convictions will be denied".

12 F. An individualized review conducted pursuant to subsection E
13 of this section shall include consideration of the following
14 factors:

15 1. The seriousness of the offense, especially with respect to
16 the effect of the offense on other residents;

17 2. The age of the individual at the time the offense was
18 committed;

19 3. The length of time since the offense occurred;

20 4. Evidence of rehabilitation such as employment, job training,
21 educational achievement, treatment program completion, or letters of
22 recommendation; and

23 5. Whether the offense has any connection to how the tenant or
24 household member would perform as a tenant, resident, or neighbor.

1 G. The Oklahoma Housing Finance Agency shall review the tenant
2 selection plan to ensure compliance with subsection E of this
3 section during compliance monitoring review. The Agency shall
4 provide guidance to owners of real property who receive an award of
5 affordable housing tax credit as it pertains to creation of policies
6 and practices to comply with this section.

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

8 COMMITTEE REPORT BY: COMMITTEE ON JUDICIARY
9 February 11, 2025 - DO PASS AS AMENDED BY CS

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