

STATE OF OKLAHOMA

1st Session of the 43rd Legislature (1991)

SENATE BILL NO. 3

BY: ROBINSON

AS INTRODUCED

AN ACT RELATING TO PROFESSIONS AND OCCUPATIONS;

AUTHORIZING THE OKLAHOMA REAL ESTATE COMMISSION TO ESTABLISH A REAL ESTATE BROKERS' TRUST ACCOUNT PROGRAM; PROVIDING FOR DISBURSEMENT OF INTEREST FROM ACCOUNT TO NONPROFIT CORPORATION DESIGNATED BY THE COMMISSION; STATING REQUIREMENTS TO BE MET BY NONPROFIT CORPORATION; MAKING PARTICIPATION IN PROGRAM VOLUNTARY; STATING PURPOSES FOR WHICH FUNDS MAY BE USED; REQUIRING BROKERS POST NOTICE CONCERNING PARTICIPATION IN PROGRAM; AUTHORIZING PROMULGATION OF RULES AND REGULATIONS; PROVIDING FOR CODIFICATION; AND PROVIDING AN EFFECTIVE DATE.

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 858-551 of Title 59, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Real Estate Commission may establish a "Real Estate Brokers' Trust Account Program", which shall authorize and

permit the collection of interest on real estate brokers' trust accounts and the disbursement of such interest by financial institutions, as directed by participating brokers, to an Oklahoma nonprofit corporation for use for tax-exempt purposes set forth in subsection D of this section.

B. The recipient of funds generated by the program shall be an Oklahoma nonprofit corporation, designated by the Commission, which meets the following requirements:

1. The corporation shall be tax exempt as defined by Section 501(c)(3) of the Internal Revenue Code;

2. The corporation shall be governed by a board of directors consisting of not fewer than five (5) nor more than fifteen (15) members; and

3. At least sixty percent (60%) of the total number of directors shall be appointed by the Oklahoma Real Estate Commission. The remainder shall be appointed by the Oklahoma Association of Realtors.

C. Participation in the program shall be completely voluntary with each real estate broker rather than mandatory.

D. The funds generated by the program shall be used for economic development, research, education and such other public service purposes as may be determined by the recipient corporation specified in this section.

E. All real estate brokers participating in this program shall post a notice at least four inches by seven inches (4" x 7"), stating that the broker participates in the Real Estate Brokers' Trust Account Program. Said notice shall be displayed prominently and shall contain information concerning the purposes for which the interest accumulating on the account shall be used and shall state: "If funds belonging to you are deposited in this firm's trust account, any interest earned therefrom will be forwarded by the depository financial institution to a nonprofit corporation

designated by the Oklahoma Real Estate Commission. The corporation will dispense the funds to provide for economic development, research, education and such other public service purposes as may be determined by the recipient corporation."

F. The Oklahoma Real Estate Commission may promulgate rules and regulations to carry out the provisions of this section.

SECTION 2. This act shall become effective September 1, 1991.

43-1-080

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