

STATE OF OKLAHOMA

2nd Session of the 47th Legislature (2000)

HOUSE BILL HB2701

By: Wright

AS INTRODUCED

An Act relating to professions and occupations; requiring certain persons licensed under Oklahoma Real Estate License Code to maintain certain escrow account; creating the Home Guaranty Loan Fund; setting forth money to be deposited into fund; providing for administration of fund; providing for expenditures from fund; stating that monies shall be used to guaranty certain loans; setting forth certain qualifications; requiring the State Banking Department and the Oklahoma Real Estate Commission to coordinate administration of program; stating that certain licensees subject to certain penalties; 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 858-512 of Title 59, unless there is created a duplication in numbering, reads as follows:

A. All real estate brokers licensed pursuant to the Oklahoma Real Estate License Code who receive monies from a person licensed pursuant to the Oklahoma Real Estate License Code or from any other person as part of a real estate transaction to be held by the real estate broker on behalf of such person shall deposit such monies into an interest-bearing escrow account at a financial institution located in this state.

B. There shall be created in the State Treasury a revolving fund for the Oklahoma State Banking Department to be designated the "Home Guaranty Loan Fund". The fund shall consist of all interest earned from monies held in escrow accounts involving real estate transactions as set forth in subsection A of this section. The fund

shall be a continuing fund not subject to fiscal year limitations. The fund shall be under the administrative direction of the State Banking Commissioner. Expenditures from this fund shall be made pursuant to this section. Warrants for expenditures from the fund shall be drawn by the State Treasurer based on claims signed by authorized employees of the State Banking Department and approved for payment by the Director of State Finance.

C. Monies in the fund shall be used to guaranty fifteen percent (15%) of any bank loan to any person purchasing a primary residence for such person and who does not currently own a home. The guaranty shall be in a manner similar to loans guaranteed by the United States Veterans Administration. In order to qualify for this loan guaranty, the purchase price of the home shall not exceed Sixty Thousand Dollars (\$60,000.00). The Banking Department shall coordinate the administration of this program with the Oklahoma Real Estate Commission.

D. Any real estate broker licensed pursuant to the Oklahoma Real Estate License Code failing to establish the proper escrow account in accordance with subsection A of this section shall be subject to license suspension or revocation and any penalties set forth in Section 858-402 of Title 59 of the Oklahoma Statutes.

SECTION 2. This act shall become effective November 1, 2000.

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