

THE HOUSE OF REPRESENTATIVES  
Monday, February 16, 2009

House Bill No. 1725

HOUSE BILL NO. 1725 - By: PETERSON AND MCCULLOUGH of the House.

An Act relating to property; requiring specific resolution of certain disputes between certain entities regarding ownership interests in real or personal property; providing for express creation of certain trust in the name of nonprofit or religious corporations; stating requirements for creation of certain trust; prohibiting certain implied trusts; providing for codification; and providing an effective date.

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

1       SECTION 1.   NEW LAW   A new section of law to be codified in the Oklahoma  
2 Statutes as Section 350 of Title 60, unless there is created a duplication in numbering,  
3 reads as follows:

4       A. Any dispute between a nonprofit or religious corporation and a national religious  
5 denomination, or in the case of a subordinate religious corporation, any dispute between  
6 it and a superior religious body, regarding ownership of a legal or equitable interest in  
7 real property located in this state, shall be exclusively resolved by resort to the deed or  
8 other instrument vesting ownership of the property and filed of record in the county  
9 where the property is located.

10       B. Any dispute between a nonprofit or religious corporation and a national  
11 corporation, or in the case of a subordinate religious corporation, any dispute between it  
12 and a superior religious body, regarding the ownership of a legal or equitable interest in

1 tangible or intangible personal property located in this state, shall be exclusively  
2 resolved by possession and by resort to the bill of sale, assignment, account documents,  
3 or other instrument reflecting ownership of legal title to the personal property, unless an  
4 express agreement executed by an authorized officer of the nonprofit or religious  
5 corporation provides otherwise.

6 SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma  
7 Statutes as Section 172.1 of Title 60, unless there is created a duplication in numbering,  
8 reads as follows:

9 A. No real or personal property located in this state which is held in the name of a  
10 nonprofit or religious corporation shall be deemed to be held in, or impressed with, any  
11 express trust unless the trust was created by the execution and delivery of a written  
12 instrument expressly creating the trust by a duly authorized officer of the nonprofit or  
13 religious organization grantor. The instrument also shall expressly convey a trust  
14 interest in specifically described property to a named trustee for the benefit of a named  
15 beneficiary.

16 B. No real or personal property located in this state and held in the name of a  
17 nonprofit or religious corporation shall be deemed to be held in, or impressed with, any  
18 implied trust in favor of a national religious denomination or in the case of a subordinate  
19 religious corporation, a superior religious body.

20 SECTION 3. This act shall become effective November 1, 2009.

21 COMMITTEE REPORT BY: COMMITTEE ON JUDICIARY, dated 02-12-09 - DO PASS,  
22 As Coauthored.