ENGROSSED SENATE AMENDMENT
TO
ENGROSSED HOUSE
BILL NO. 2304 By: Kannady of the House

and

Loveless of the Senate

An Act relating to property; amending 60 O.S. 2011, Section 833, which relates to the Residential Property Condition Disclosure Act; modifying information contained in property disclaimer and disclosure statements; and providing an effective date.

AMENDMENT NO. 1. Page 1, strike the stricken title, enacting clause and entire bill and insert

"[property - Residential Property Condition Disclosure Act; - effective date]

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

SECTION 1. AMENDATORY 60 O.S. 2011, Section 833, is amended to read as follows:

Section 833. A. A seller of property located in this state shall deliver, or cause to be delivered, to the purchaser of such property ~~one of~~ the following:

1. A written property disclaimer statement on a form established by rule by the Oklahoma Real Estate Commission which states that the seller:

a. has never occupied the property and makes no disclosures concerning the condition of the property, and

b. has no actual knowledge of any defect; or

2. A written property condition disclosure statement on a form established by rule by the Oklahoma Real Estate Commission which shall include the information set forth in subsection B of this section; and

3. A written disclosure statement stating whether or not the property is subject to a homeowner association (HOA) on a form established by rule by the Oklahoma Real Estate Commission.

B. 1. The disclosure statement pursuant to paragraph 2 of subsection A of this section shall include an identification of items and improvements which are included in the sale of the property and whether such items or improvements are in normal working order. The disclosures required shall also include a statement of whether the seller has actual knowledge of defects or information in relation to the following:

a. water and sewer systems, including the source of household water, water treatment systems, sprinkler systems, occurrence of water in the heating and air

conditioning ducts, water seepage or leakage, drainage or grading problems and flood zone status,

b. structural systems, including the roof, walls, floors, foundation and any basement,

c. plumbing, electrical, heating and air conditioning systems,

d. infestation or damage of wood-destroying organisms,

e. major fire or tornado damage,

f. land use matters,

g. existence of hazardous or regulated materials and other conditions having an environmental impact,

h. existence of prior manufacturing of methamphetamine,

i. any other defects known to the seller, and

j. other matters the Oklahoma Real Estate Commission deems appropriate.

2. ~~The~~ Each disclosure statement shall include the following notices to the purchaser in bold and conspicuous type:

a. "The information and statements contained in this disclosure statement are declarations and representations of the seller and are not the representations of the real estate licensee.",

b. "The information contained in this disclosure statement is not intended to be a part of any contract between the purchaser and the seller.", and

c. "The declarations and information contained in this disclosure statement are not warranties, express or implied of any kind, and are not a substitute for any inspections or warranties the purchaser may wish to obtain."

C. Either the disclaimer statement or the disclosure statement and the notice of HOA required by this section must be completed, signed and dated by the seller. The date of completion on either the disclaimer statement or the disclosure statement may not be more than one hundred eighty (180) days prior to the date of receipt of the statement by the purchaser.

D. The Oklahoma Real Estate Commission shall develop by rule the forms for the residential property condition disclaimer ~~and~~, the residential property condition disclosure statement, and the disclosure statement of HOA. After development of the initial forms, the Oklahoma Real Estate Commission may amend by rule the forms as is necessary and appropriate.

Such forms shall be made available upon request irrespective of whether the person requesting a disclaimer or disclosure form is represented by a real estate licensee.

SECTION 2. This act shall become effective November 1, 2016."

and when the title is restored, amend the title to conform

Passed the Senate the 20th day of April, 2016.

_____
Presiding Officer of the Senate

Passed the House of Representatives the ____ day of _____, 2016.

_____
Presiding Officer of the House
of Representatives

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An Act relating to property; amending 60 O.S. 2011, Section 833, which relates to the Residential Property Condition Disclosure Act; modifying information contained in property disclaimer and disclosure statements; and providing an effective date.

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

SECTION 1. AMENDATORY 60 O.S. 2011, Section 833, is amended to read as follows:

Section 833. A. A seller of property located in this state shall deliver, or cause to be delivered, to the purchaser of such property one of the following:

1. A written property disclaimer statement on a form established by rule by the Oklahoma Real Estate Commission which states that the seller:

a. has never occupied the property and makes no disclosures concerning the condition of the property <u>except for the existence of any requirements,</u>

restrictions, covenants, reservations or dedications of any owners association regulating the property, and

b. has no actual knowledge of any defect; or

2. A written property condition disclosure statement on a form established by rule by the Oklahoma Real Estate Commission which shall include the information set forth in subsection B of this section.

B. 1. The disclosure statement shall include an identification of items and improvements which are included in the sale of the property and whether such items or improvements are in normal working order. The disclosures required shall also include a statement of whether the seller has actual knowledge of defects or information in relation to the following:

a. water and sewer systems, including the source of household water, water treatment systems, sprinkler systems, occurrence of water in the heating and air conditioning ducts, water seepage or leakage, drainage or grading problems and flood zone status,

b. structural systems, including the roof, walls, floors, foundation and any basement,

c. plumbing, electrical, heating and air conditioning systems,

d. infestation or damage of wood-destroying organisms,

e. major fire or tornado damage,

f. land use matters,

g. existence of hazardous or regulated materials and other conditions having an environmental impact,

h. existence of prior manufacturing of methamphetamine,

i. existence of any requirements, restrictions, covenants, reservations or dedications of any owners association regulating the property,

j. any other defects known to the seller, and

~~j.~~ k. other matters the Oklahoma Real Estate Commission deems appropriate.

2. The disclosure statement shall include the following notices to the purchaser in bold and conspicuous type:

a. "The information and statements contained in this disclosure statement are declarations and representations of the seller and are not the representations of the real estate licensee.",

b. "The information contained in this disclosure statement is not intended to be a part of any contract between the purchaser and the seller.", and

c. "The declarations and information contained in this disclosure statement are not warranties, express or implied of any kind, and are not a substitute for any inspections or warranties the purchaser may wish to obtain."

C. Either the disclaimer statement or the disclosure statement required by this section must be completed, signed and dated by the seller. The date of completion on either statement may not be more than one hundred eighty (180) days prior to the date of receipt of the statement by the purchaser.

D. The Oklahoma Real Estate Commission shall develop by rule the forms for the residential property condition disclaimer and the residential property condition disclosure statement. After development of the initial forms, the Oklahoma Real Estate Commission may amend by rule the forms as is necessary and appropriate.

Such forms shall be made available upon request irrespective of whether the person requesting a disclaimer or disclosure form is represented by a real estate licensee.

SECTION 2. This act shall become effective November 1, 2016.

Passed the House of Representatives the 1st day of March, 2016.

_____
Presiding Officer of the House
of Representatives

Passed the Senate the ___ day of _____, 2016.

_____
Presiding Officer of the Senate