

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 COMMITTEE SUBSTITUTE

4 FOR ENGROSSED

SENATE BILL NO. 266

By: Newberry of the Senate

5 and

6 Echols of the House

7  
8  
9 COMMITTEE SUBSTITUTE

10 An Act relating to professions and occupations;  
11 amending 59 O.S. 2011, Sections 858-102, 858-303, as  
12 last amended by Section 1, Chapter 108, O.S.L. 2014,  
13 and 858-305 (59 O.S. Supp. 2016, Section 858-303),  
14 which relate to the Oklahoma Real Estate License  
15 Code; modifying definitions; modifying requirements  
16 for broker license; providing for broker associate  
17 license requirements; providing for registration of  
18 certain affiliate groups; stating purpose of  
19 registration; setting fee; providing for  
20 codification; and providing an effective date.

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

22 SECTION 1. AMENDATORY 59 O.S. 2011, Section 858-102, is  
23 amended to read as follows:

24 Section 858-102. When used in this Code, unless the context  
clearly indicates otherwise, the following words and terms shall be  
construed as having the meanings ascribed to them in this section:

1        1. The term "real estate" shall include any interest or estate  
2 in real property, within or without the State of Oklahoma, whether  
3 vested, contingent or future, corporeal or incorporeal, freehold or  
4 nonfreehold, and including leaseholds, options and unit ownership  
5 estates to include condominiums, time-shared ownerships and  
6 cooperatives; provided, however, that the term "real estate" shall  
7 not include oil, gas or other mineral interests, or oil, gas or  
8 other mineral leases; and provided further, that the provisions of  
9 this Code shall not apply to any oil, gas, or mineral interest or  
10 lease or the sale, purchase or exchange thereof;

11        2. The term "~~real estate~~ broker" shall include any person,  
12 partnership, association or corporation, foreign or domestic, who  
13 for a fee, commission or other valuable consideration, or who with  
14 the intention or expectation of receiving or collecting a fee,  
15 commission or other valuable consideration, lists, sells or offers  
16 to sell, buys or offers to buy, exchanges, rents or leases any real  
17 estate, or who negotiates or attempts to negotiate any such  
18 activity, or solicits listings of places for rent or lease, or  
19 solicits for prospective tenants, purchasers or sellers, or who  
20 advertises or holds himself out as engaged in such activities.  
21 "Broker" shall be limited to the license types of Broker Manager  
22 (BM), Proprietor Broker (BP) or Branch Broker (BB) as defined in the  
23 Code;  
24

1        3. The term "broker associate" shall include any person who has  
2 qualified for a license as a broker associate, and who is employed  
3 or engaged by, associated as an independent contractor with, or on  
4 behalf of, and with the permission of a broker to ~~do or deal in~~  
5 perform any act, ~~acts or transaction~~ set out in the definition of a  
6 broker;

7        4. The term "real estate sales associate" shall include any  
8 person having a renewable license and employed or engaged by, or  
9 associated as an independent contractor with, or on behalf of, a  
10 ~~real-estate~~ broker to do or deal in any act, acts or transactions  
11 set out in the definition of a ~~real-estate~~ broker;

12        5. "Provisional sales associate" shall include any person who  
13 has been licensed after June 30, 1993, employed or engaged by, or  
14 associated as an independent contractor with, or on behalf of, a  
15 ~~real-estate~~ broker to do or deal in any act, acts or transactions  
16 set out in the definition of a ~~real-estate~~ broker and subject to an  
17 additional forty-five-clock-hour postlicensing educational  
18 requirement to be completed within the first twelve-month license  
19 term. However, the Oklahoma Real Estate Commission shall promulgate  
20 rules for those persons called into active military service for  
21 purposes of satisfying the postlicensing educational requirement.  
22 The license of a provisional sales associate shall be nonrenewable  
23 unless the postlicensing requirement is satisfied prior to the  
24 expiration date of the license. Further, the ~~term~~ terms sales

1 associate and provisional sales associate shall be synonymous in  
2 meaning except where specific exceptions are addressed in the  
3 Oklahoma Real Estate License Code;

4 6. The term "successful completion" shall include prelicense,  
5 postlicense, and distance education courses in which an approved  
6 public or private school entity has examined the individual, to the  
7 satisfaction of the entity and standards as established by the  
8 Commission, in relation to the course material presented during the  
9 offering;

10 7. The term "renewable license" shall refer to a broker, broker  
11 associate or sales associate who is a holder of such license or to a  
12 provisional sales associate who has completed ~~both~~ the ~~prelicense~~  
13 ~~and postlicense~~ educational requirements within the required time  
14 period as stated in the Code;

15 8. The term "nonrenewable license" shall refer to a provisional  
16 sales associate who is the holder of such license and who has not  
17 completed the postlicense educational requirement within the  
18 required time period as stated in the Code;

19 9. The term "surrendered license" shall refer to a real estate  
20 license which is surrendered, upon the request of the licensee, due  
21 to a pending investigation or disciplinary proceedings;

22 10. The term "canceled license" shall refer to a real estate  
23 license which is canceled, upon the request of the licensee and  
24 approval of the Commission, due to a personal reason or conflict;

1 11. "Licensee" shall include any person who performs any act,  
2 acts or transactions set out in the definition of a broker and  
3 licensed under the Oklahoma Real Estate License Code;

4 12. The word "Commission" shall mean the Oklahoma Real Estate  
5 Commission;

6 13. The word "person" shall include and mean every individual,  
7 partnership, association or corporation, foreign or domestic;

8 14. Masculine words shall include the feminine and neuter, and  
9 the singular includes the plural; and

10 15. The word "associate" shall mean a broker associate, sales  
11 associate or provisional sales associate.

12 SECTION 2. AMENDATORY 59 O.S. 2011, Section 858-303, as  
13 last amended by Section 1, Chapter 108, O.S.L. 2014 (59 O.S. Supp.  
14 2016, Section 858-303), is amended to read as follows:

15 Section 858-303. A. ~~Any person~~ Applicants for a broker license  
16 who hold a sales associate license or are not currently licensed  
17 shall meet the following requirements:

18 1. Be persons of good moral character, ~~who holds a renewable~~  
19 ~~sales associate license and who shall have had two (2) years'~~  
20 ~~experience,~~ licensure within the previous five (5) years, ~~as a~~  
21 ~~licensed real estate sales associate or provisional sales associate,~~  
22 ~~or its equivalent, and who shall submit;~~

23 2. Submit to the Commission evidence of successful completion  
24 of ninety (90) clock hours or its equivalent as determined by the

1 Commission of advanced real estate instruction in a course of study  
2 approved by the Commission, ~~which instruction shall be in addition~~  
3 ~~to any instruction required for securing a license as a real estate~~  
4 ~~sales associate, may apply to the Commission to take an examination~~  
5 ~~for the purpose of securing a license as a real estate broker or~~  
6 ~~broker associate~~ and completion of the Broker in Charge course as  
7 defined in the Code. The education required in this subsection  
8 shall only be valid for a period of three (3) years from the date  
9 the school certified successful completion of the course;  
10 thereafter, the applicant shall be required to successfully complete  
11 an additional ninety (90) clock hours or its equivalent in advanced  
12 real estate instruction;

13 3. Provide documentation verifying ten real estate transactions  
14 within the past five (5) years or the equivalent as determined by  
15 the Commission. For the purposes of this subsection, transaction  
16 shall be defined in Section 858-351 of this title and shall be  
17 demonstrated on forms developed by the Commission; and

18 4. Apply to the Commission to take an examination for the  
19 purpose of securing a license as a broker.

20 B. Application shall be made upon forms prescribed by the  
21 Commission and shall be accompanied by ~~an examination fee~~ fees as  
22 provided for in this Code and all information and documents the  
23 Commission may require.

1 C. ~~The applicant shall appear in person before the Commission~~  
2 ~~for an examination which shall be in the form and shall inquire into~~  
3 ~~the subjects which the Commission shall prescribe.~~

4 D. ~~If it shall be determined that the applicant shall have~~ has  
5 passed the examination, received final approval of the application,  
6 and paid the appropriate ~~license fee~~ fees provided for in this Code  
7 along with the Oklahoma Real Estate Education and Recovery Fund fee,  
8 the Commission shall issue to the applicant a broker ~~or broker~~  
9 ~~associate~~ license.

10 D. Applicants for a broker license who hold a broker associate  
11 license shall meet the following requirements:

12 1. Be persons of good moral character who have had two (2)  
13 years' licensure within the previous five (5) years, or its  
14 equivalent;

15 2. Submit to the Commission evidence of successful completion  
16 of the Broker in Charge course as defined in the Code; and

17 3. Provide documentation verifying ten real estate transactions  
18 within the past five (5) years or the equivalent as determined by  
19 the Commission. For the purposes of this subsection, transaction  
20 shall be defined in Section 858-351 of this title and shall be  
21 demonstrated on forms developed by the Commission.

22 E. Application shall be made upon forms prescribed by the  
23 Commission and shall be accompanied by fees as provided for in this  
24 Code and all information and documents the Commission may require.

1       F. If the applicant has received final approval of the  
2 application, and paid the appropriate fee provided for in this Code  
3 along with the Oklahoma Real Estate Education and Recovery Fund fee,  
4 the Commission shall issue to the applicant a broker license.

5       SECTION 3.       NEW LAW       A new section of law to be codified  
6 in the Oklahoma Statutes as Section 858-303A of Title 59, unless  
7 there is created a duplication in numbering, reads as follows:

8       A. Applicants for a broker associate license shall meet the  
9 following requirements:

10       1. Be persons of good moral character who hold a renewable  
11 broker associate or sales associate license and who have had two (2)  
12 years' licensure within the previous five (5) years as a sales  
13 associate or provisional sales associate, or its equivalent;

14       2. Submit to the Commission evidence of successful completion  
15 of ninety (90) clock hours, or its equivalent as determined by the  
16 Commission, of advanced real estate instruction in a course of study  
17 approved by the Commission. The education required in this  
18 subsection shall only be valid for a period of three (3) years from  
19 the date the school certified successful completion of the course;  
20 thereafter, the applicant shall be required to successfully complete  
21 an additional ninety (90) clock hours or its equivalent in advanced  
22 real estate instruction; and

23       3. Apply to the Commission to take an examination for the  
24 purpose of securing a license as a broker associate.



1 B. Application shall be made upon forms prescribed by the  
2 Commission and shall be accompanied by fees as provided for in this  
3 Code and all information and documents the Commission may require.

4 C. The applicant shall appear in person for an examination  
5 which shall be prescribed by the Commission.

6 D. If the applicant has passed the examination, received final  
7 approval of the application, and paid the appropriate fees provided  
8 for in this Code along with the Oklahoma Real Estate Education and  
9 Recovery Fund fee, the Commission shall issue to the applicant a  
10 broker associate license.

11 SECTION 4. AMENDATORY 59 O.S. 2011, Section 858-305, is  
12 amended to read as follows:

13 Section 858-305. A. The Oklahoma Real Estate Commission may  
14 license as a broker any association or corporation in which the  
15 managing member or managing officer holds a license as a real estate  
16 broker, as defined in this Code, and in which every member, officer  
17 or employee who acts as a real estate broker or real estate sales  
18 associate holds a license for that purpose, as defined in this Code.  
19 The Commission may license as a real estate broker any partnership  
20 in which each partner holds a license as a real estate broker, as  
21 defined in this Code.

22 B. The Oklahoma Real Estate Commission shall require the  
23 registration of all teams affiliated under a brokerage for the  
24 purpose of allowing the Commission to better align and track the

1 teams within each brokerage. For the purposes of this section, a  
2 team shall mean any two or more licensees who work under the  
3 supervision of the same broker, work together on real estate  
4 transactions to provide brokerage services, represent themselves to  
5 the public as being part of a team, and are designated by a team  
6 name. Such registration shall occur before a team performs any  
7 licensed activities, and the broker shall notify the Commission when  
8 any team name is no longer being used. The Commission may charge a  
9 registration fee for each team not to exceed the administrative  
10 costs of the registration process.

11 C. Application for licenses and registrations described in this  
12 section shall be made on forms prescribed by the Commission and  
13 shall be issued pursuant to rules promulgated by the Commission.

14 SECTION 5. This act shall become effective November 1, 2017.

16 56-1-7564 LRB 04/12/17