HB1976 FULLPCS1 Ross Ford-MAH
2/26/2019 8:56:04 am

COMMITTEE AMENDMENT

HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB1976 ______________________________
Of the printed Bill

Page ____________ Section ____________ Lines ____________
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Ross Ford

Adopted: _____________________________

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Reading Clerk

STATE OF OKLAHOMA

1st Session of the 57th Legislature (2019)

PROPOSED COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1976 By: Ford

PROPOSED COMMITTEE SUBSTITUTE

An Act relating to certain debt instruments and foreclosure of certain real estate mortgages; enacting the Starr Pierce Residential Real Estate Finance Reform Act of 2019; requiring plaintiff in certain foreclosure to make original instrument available for inspection or to provide certified copy of instrument; providing for attachment of certified copy of promissory note to petition; providing for dismissal without prejudice and prescribing procedures related thereto; imposing requirement on holder of certain promissory notes with respect to surrender or delivery of instruments; requiring instrument to contain information related to payment and satisfaction; prescribing requirements related to notification of assignment of promissory notes or assignment of rights arising under promissory notes; providing for applicability of certain provisions to promissory notes or other debt instruments based on date of execution; providing for codification; providing for noncodification; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law not to be codified in the Oklahoma Statutes reads as follows:

This act shall be known and may be cited as the "Starr Pierce Residential Real Estate Finance Reform Act of 2019".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2061 of Title 12, unless there is created a duplication in numbering, reads as follows:

A. In any action filed in any district court of the state on or after the effective date of this act for the foreclosure of a real estate mortgage, with respect to a single family residence, which secures a promissory note or other debt instrument executed to provide either the purchase money to acquire the real property or to make improvements on such property or as part of a transaction to refinance an existing debt with respect to such property, the plaintiff shall be required to make available for inspection to the person or persons that executed the promissory note or other debt instrument the original instrument or a certified copy of the instrument.

B. The requirements of subsection A of this section may be satisfied by attaching a certified copy of the instrument to the petition in the foreclosure action.

C. If the plaintiff fails to comply with the provisions of this section, the foreclosure action shall be dismissed without prejudice to refiling upon a motion to dismiss filed by or on behalf of the person or persons named as defendants in the foreclosure proceeding who executed the promissory note or other debt instrument.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 201 of Title 24, unless there is created a duplication in numbering, reads as follows:

A. The holder of any promissory note or other debt instrument which was executed for the purpose of providing the purchase money to acquire a single family residence or to make improvements to a single family residence or to refinance an existing debt obligation executed with respect to a single family residence shall, upon full payment of all obligations created pursuant to the terms of the promissory note or other instrument, surrender such note or other debt instrument and deliver the instrument to the person or persons who executed such promissory note or other instrument and the note or other instrument shall be marked "paid in full" or "canceled" or shall bear such other statement that clearly and conspicuously indicates that the debt obligation described in the promissory note or other debt instrument has been satisfied.

B. The provisions of subsection A of this section shall be applicable to promissory notes or other debt instruments executed prior to the effective date of this act and shall be applicable to promissory notes or other debt instruments executed on or after the effective date of this act.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 202 of Title 24, unless there is created a duplication in numbering, reads as follows:

A. The holder of any promissory note or other debt instrument executed to obtain the purchase money to acquire a single family residence or to make improvements to a single family residence or to refinance an existing debt obligation with respect to a single family residence shall provide notice to the debtor or debtors of any assignment of the note or other debt instrument or of any assignment of rights with respect to such promissory note or other debt instrument in the manner prescribed by this section:

1. By providing written notice, by certified mail with return receipt requested, to the last known address of the debtor or debtors as indicated by the records of the holder of the note indicating the date of the assignment and the legal name of the person or persons or other legal entity or entities to whom or to which the assignment has been made including a correct and current mailing address, email address, phone number or such other contact information which allows the debtor to communicate with the assignee; and

2. By providing electronic notice in the form of email to the last known email address if the holder of the promissory note or other debt instrument has any email address for the debtor or debtor provided by the debtor in connection with any payment transaction with respect to the promissory note or other debt instrument indicating the date of the assignment and the legal name of the person or persons or other legal entity or entities to whom or to

which the assignment has been made including a correct and current mailing address, email address, phone number or such other contact information which allows the debtor to communicate with the assignee.

B. The provisions of subsection A of this section shall be applicable to promissory notes or other debt instruments executed prior to the effective date of this act and shall be applicable to promissory notes or other debt instruments executed on or after the effective date of this act.

C. The provisions of this section shall be applicable exclusively to promissory notes or other debt instruments executed for the purpose of acquiring or improving real property which is to be used as a single family residence and shall not be applicable to promissory notes or other debt instruments executed in connection with any other transaction involving other types of real property.

SECTION 5. It being immediately necessary for the preservation of the public peace, health or safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

57-1-8168 MAH 02/24/19