

1 STATE OF OKLAHOMA

2 2nd Session of the 59th Legislature (2024)

3 COMMITTEE SUBSTITUTE
4 FOR ENGROSSED
5 SENATE BILL NO. 1705

By: Howard, Bullard, Pederson,
and Burns of the Senate

6 and

7 Moore of the House

8
9 COMMITTEE SUBSTITUTE

10 An Act relating to alien ownership of land; amending
11 60 O.S. 2021, Sections 121, as amended by Section 1,
12 Chapter 327, O.S.L. 2023, 124, 125, 126, and 127 (60
13 O.S. Supp. 2023, Section 121), which relate to
14 prohibition of alien ownership of land; defining
15 terms; adding entities prohibited from certain
16 ownership; updating statutory reference; adding
17 persons authorized to execute certain affidavit;
18 requiring notarization of certain document; providing
19 exemptions to certain requirements; requiring
20 inclusion of specific exemption on recorded deed;
21 authorizing Attorney General to establish additional
22 exemptions; allowing substantial compliance to
23 certain form requirements; updating statutory
24 language; changing escheatment to foreclosure for
property owned by aliens; providing order of payment
for foreclosed property owned by aliens; and
providing an effective date.

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

1 SECTION 1. AMENDATORY 60 O.S. 2021, Section 121, as
2 amended by Section 1, Chapter 327, O.S.L. 2023 (60 O.S. Supp. 2023,
3 Section 121), is amended to read as follows:

4 Section 121. A. As used in Chapter 3 of this title:

5 1. "Deed" means any instrument in writing whereby land is
6 assigned, transferred, or otherwise conveyed to, or vested in, the
7 person coming into title or, at his or her direction, any other
8 person;

9 2. "Foreign government adversary" means a government other than
10 the federal government of the United States, the government of any
11 state, political subdivision of the state, tribe, territory, or
12 possession of the United States and designated by the United States
13 Secretary of State as hostile or a Country of Particular Concern
14 (CPC);

15 3. "Foreign government enterprise" means a business entity,
16 sovereign wealth fund, or state-backed investment fund in which a
17 foreign government adversary holds a controlling interest; and

18 4. "Land" means the same as defined in Section 6 of this title,
19 but shall not include oil, gas, other minerals, or any interest
20 therein.

21 B. No alien, foreign government adversary, or any person who is
22 not a citizen of the United States shall acquire title to or own
23 land in this state either directly or indirectly through a business
24 entity ~~or~~, trust, or foreign government adversary enterprise, except

1 as hereinafter provided, but ~~he or she~~ they shall have and enjoy in
2 this state such rights as to personal property as are, or shall be,
3 accorded a citizen of the United States under the laws of the nation
4 to which such alien belongs, or by the treaties of such nation with
5 the United States, except as the same may be affected by the
6 provisions of Section 121 et seq. of this title or the Constitution
7 of this state. Provided, however, the requirements of this
8 subsection shall not apply to a business entity that is engaged in
9 regulated interstate commerce in accordance with federal law.

10 ~~B. C.~~ B. C. On or after ~~the effective date of this act~~ November 1,
11 2023, any deed recorded with a county clerk shall include as an
12 exhibit to the deed an affidavit executed by the person ~~or,~~ the
13 person's attorney-in-fact, a court-appointed guardian or personal
14 representative, an authorized officer of the entity, or trustee of
15 the trust coming into title attesting that the person, business
16 entity, or trust is obtaining the land in compliance with the
17 requirements of this section and that no funding source is being
18 used in the sale or transfer in violation of this section or any
19 other state or federal law. A county clerk shall not accept and
20 record any deed without an affidavit as required by this section
21 which is duly notarized pursuant to Title 49 of the Oklahoma
22 Statutes. The requirements of this subsection shall not apply to a:

23 1. Deed which, without additional consideration, confirms,
24 corrects, modifies, or supplements a deed previously recorded;

1 2. Deed made by a grantor to cure a defect in title or
2 effectuate a disclaimer of interest in real property;

3 3. Transfer-on-death deed made by a grantor designating a
4 grantee beneficiary pursuant to the Nontestamentary Transfer of
5 Property Act, Section 1251 et seq. of Title 58 of the Oklahoma
6 Statutes;

7 4. State or federal court order in an action to quiet title or
8 to cure a defect in title;

9 5. State or federal court order or decree in probate,
10 partition, quiet title, and divorce actions;

11 6. Deed which secures a debt or other obligation, or which
12 releases such property as security for a debt or other obligation;

13 7. Deed of dedication to the public; or

14 8. Deed in favor of the United States or any of its political
15 subdivisions, a state or any of its political subdivisions, or a
16 tribe.

17 The applicable exemption shall be shown on the face of the deed
18 prior to the recording of the deed and no affidavit shall be
19 required.

20 D. The Attorney General shall promulgate a separate affidavit
21 form for individuals and for business entities or trusts to comply
22 with the requirements of this section, ~~with the exception of those~~
23 deeds. The Attorney General may establish additional exemptions
24 which the Attorney General deems necessary ~~when promulgating the~~

1 ~~affidavit form~~ to substantially comply with the requirements of this
2 section. The county clerk may accept an affidavit in substantial
3 compliance with the affidavit form promulgated by the Attorney
4 General.

5 SECTION 2. AMENDATORY 60 O.S. 2021, Section 124, is
6 amended to read as follows:

7 Section 124. Any alien who shall hereafter hold lands in the
8 State of Oklahoma in contravention of the provisions of this
9 article, may nevertheless convey the fee simple title thereof at any
10 time before the institution of ~~escheat~~ foreclosure proceedings as
11 hereinafter provided: Provided, however, that if any such
12 conveyance shall be made by such alien either to an alien or a
13 citizen of the United States in trust, and for the purpose and with
14 the intention of evading the provisions of this article, or the
15 provisions of the Constitution of this state, such conveyance shall
16 be null and void, and any such lands so conveyed shall be forfeited
17 and ~~escheated to the state~~ absolutely foreclosed upon.

18 SECTION 3. AMENDATORY 60 O.S. 2021, Section 125, is
19 amended to read as follows:

20 Section 125. It shall be the duty of the Attorney General or
21 the district attorney of the county where the land is ~~situate~~
22 situated, when he shall be informed or have reason to believe that
23 any lands in the state are being held contrary to the provisions of
24 this act, or the provisions of the Constitution of this state, to

1 institute suit in behalf of the State of Oklahoma in the district
2 court of the county in which said lands are ~~situate~~ situated,
3 praying for the ~~escheat~~ foreclosure of the same ~~in behalf of the~~
4 ~~state, and proceed therein as in cases provided by law for escheats~~
5 ~~of lands or property where such property has no known owner:.~~
6 Provided, that before any such suit is instituted, the Attorney
7 General, or district attorney aforesaid, as the case may be, shall
8 give thirty (30) days' notice by registered letter of his or her
9 intention to sue, directed to the owner of the lands, at his or her
10 last-known post office address or to the persons who last rendered
11 the same for taxes, or to any known agents of the owner; proof of
12 having mailed such registered letter shall be deemed and held prima
13 facie evidence of the giving of such notice.

14 SECTION 4. AMENDATORY 60 O.S. 2021, Section 126, is
15 amended to read as follows:

16 Section 126. In case the lands, at the time ~~escheat~~ foreclosure
17 proceedings are about to be commenced, are owned by minors, or by
18 persons of unsound mind, such notice shall be addressed to the
19 guardian of the said minors, or persons of unsound mind, and if
20 there is no such guardian, the Attorney General of the state, or
21 district attorney shall make application in the name of the state to
22 the court and procure the appointment of a guardian ad litem to
23 represent such minor, or person of unsound mind in such proceedings;
24 thereafter the district attorney shall direct the clerk of such

1 court to ascertain the residence or ~~postoffice~~ post office address
2 of the next of kin of such minor, or person of unsound mind, and to
3 transmit to such next of kin a copy of the petition or application
4 to ~~escheat~~ foreclose such lands, and such minor or person of unsound
5 mind shall have ninety (90) days after the mailing of such notice to
6 appear and defend the action.

7 SECTION 5. AMENDATORY 60 O.S. 2021, Section 127, is
8 amended to read as follows:

9 Section 127. If it shall be determined upon the trial of any
10 such ~~escheat~~ foreclosure proceedings that lands are held contrary to
11 the provisions of this article, or the Constitution of this state,
12 the court trying said cause shall render judgment condemning such
13 lands, and order the same to be sold under the order of court, at
14 such time, terms, and conditions as to the court may seem best; the
15 proceeds of such sale after deducting the cost of the proceeding,
16 shall be paid to any lienholders of the property if applicable, then
17 the rest shall be paid to the clerk of the court rendering the
18 judgment where the same shall remain for one (1) year from the date
19 of such payment, subject to the order of the alien owner of such
20 lands, his or her heirs and legal representatives, and if not
21 claimed within the period of one (1) year, such clerk shall pay the
22 same into the treasury of the state for the benefit of the available
23 school fund of the ~~State~~ state: Provided, that when any money shall
24 have been paid to the State Treasurer as hereinabove provided, an

1 alien or his or her heirs may procure the same to be returned by
2 applying for and procuring an order from the court condemning the
3 property showing that such judgment ~~eschating~~ foreclosing said
4 property was procured by fraud, or mistake, or that there was
5 material irregularity in the proceedings; this application, however,
6 must be made within two (2) years from the date such monies were
7 turned over into the State Treasury; and in no event shall the state
8 be liable or called on to refund any further sum than the actual
9 cash transmitted and delivered to such Treasurer: Provided,
10 further, that the defendant in such ~~escheat~~ foreclosure proceedings
11 may at any time before final judgment suggest and prove to the
12 court, that he has conformed to, or complied with the law, under and
13 by which they will be entitled to hold such estate; which, it being
14 admitted or proved, said suit shall be dismissed on payment by
15 defendant of the costs and reasonable attorney's fees, to be fixed
16 by the court.

17 SECTION 6. This act shall become effective November 1, 2024.

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