SENATE CHAMBER

STATE OF OKLAHOMA DISPOSITION No. **FLOOR AMENDMENT COMMITTEE AMENDMENT** (Date) I move to amend Senate Bill No. 274 by substituting the attached floor substitute (Request # 1854) for the title, enacting clause, and entire body of the measure. I hereby grant permission for the floor substitute to be adopted. Senator Standridge Senator Brooks Senator Paxton, President Pro Tempore Senator Daniels, Majority Floor Leader Note: Judiciary Committee majority requires five (5) members' signatures. Rader-TEK-FS-SB274 3/13/2025 8:45 AM

(Floor Amendments Only) Date and Time Filed: 3-13-35 | I:4|am NB

Untimely Amendment Cycle Extended Secondary Amendment

1	STATE OF OKLAHOMA
2	1st Session of the 60th Legislature (2025)
3	FLOOR SUBSTITUTE FOR
4	SENATE BILL NO. 274 By: Rader of the Senate
5	and
6	West (Tammy) of the House
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9	FLOOR SUBSTITUTE
10	An Act relating to landlord and tenant; amending 41 O.S. 2021, Section 201, which relates to lease
11	conditions for tenant felony conviction; requiring criminal history screening policy for award of
12	certain tax credit; requiring certain components for screening policy; prohibiting inclusion of certain
13	statements; requiring consideration of certain factors in individualized review; providing certain
14	exceptions; requiring review of certain plans by Oklahoma Housing Finance Agency; updating statutory
15	language; and providing an effective date.
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18	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
19	SECTION 1. AMENDATORY 41 O.S. 2021, Section 201, is
20	amended to read as follows:
21	Section 201. A. The owner of any real property, including any
22	improvements consisting of dwelling units, acquired or improved in
23	connection with an allocation of income tax credits pursuant to the
2.4	provisions of Section 42 of the Internal Revenue Code of 1986 as

amended, or in connection with an allocation of income tax credits pursuant to the provisions of Section 2357.403 of Title 68 of the Oklahoma Statutes shall have the right to impose conditions in any lease agreement for the occupancy of any dwelling located on real property as described by this section which allow the owner to accept or decline to enter into the lease agreement, or to terminate a previously executed lease agreement based upon the discovery of incomplete or false information, with respect to the prior felony conviction of any person identified as a tenant pursuant to the terms of the lease agreement, including occupants of the dwelling whether or not those occupants formally execute a lease agreement.

- B. The owner of real property as described in subsection A of this section may either accept or decline to enter into a lease agreement or to terminate a previously executed lease agreement based upon felony convictions, whether pursuant to federal law or the laws of any state or other governmental jurisdiction, for the following types of offenses:
 - 1. Possession of any drug or chemical;

- 2. Possession of any drug or chemical with intent to manufacture or distribute;
- 3. Sex offenses, including, but not limited to, any form of sexual assault, rape, indecent exposure, or other sexually related offense if such offense was a felony;
 - 4. Assault or battery or both if the offense was a felony;

5. Any felony involving violence against another person; and

- 6. Such other felony offenses as the owner of the real property as described in subsection A of this section includes in the terms of the lease agreement.
- C. The provisions of this section shall supersede the administrative rule of any state agency, board, commission, department, statewide beneficiary public trust or other entity of state government to the extent of any conflict.
- D. The provisions of subsections A and B of this section shall be applicable with respect to lease transactions occurring on or after the effective date of this act April 29, 2019, without regard to the construction date of the improvements to real property as described by subsection A of this section.
- E. For awards beginning on or after January 1, 2026, an award recipient for the income tax credits pursuant to the provisions of Section 42 of the Internal Revenue Code of 1986, as amended, or in connection with income tax credits allocated pursuant to Section 2357.403 of Title 68 of the Oklahoma Statutes shall have a clearly defined criminal history screening policy in a tenant selection plan that establishes criteria for renting to prospective residents and shall include, but not be limited to, the following:
- 1. Except as provided in subsection G of this section, an individualized review that considers the safety of residents and

property; provided, an applicant with a criminal conviction may be denied housing only after conducting such review;

3 <u>2. The amount of time following a conviction during which</u>
4 <u>criminal records will be considered in determining the approval of a</u>
5 lease application; and

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- 3. An established procedure for conducting individualized reviews of applicants with a criminal record which shall include, but not be limited to, a notification to the applicant that an individualized review will be conducted and the right of the applicant to provide supporting documentation and mitigating evidence for the individualized review.
- The screening policy shall not include any statements such as

 "Any applicants with criminal convictions will be denied".
- F. An individualized review conducted pursuant to subsection E

 of this section shall include consideration of the following

 factors:
- 17 <u>1. The seriousness of the offense, especially with respect to</u>
 18 the effect of the offense on other residents;
 - 2. The age of the individual at the time the offense was committed;
- 3. The length of time since the offense occurred;
- 4. Evidence of rehabilitation such as employment, job training,
 educational achievement, treatment program completion, or letters of
 recommendation; and

1 5. Whether the offense has any connection to how the tenant or 2 household member would perform as a tenant, resident, or neighbor. 3 G. Notwithstanding the requirements of subsection E of this 4 section, no individualized review shall be required if any other 5 provision of law requires denial of an applicant. An award 6 recipient may, but shall not be required to, conduct an 7 individualized review for an applicant convicted of an offense listed in Section 13.1 of Title 21 of the Oklahoma Statutes. 8 9 H. The Oklahoma Housing Finance Agency shall review the tenant selection plan to ensure compliance with subsections E, F, and G of 10 this section during compliance monitoring review. The Agency shall 11 12 provide guidance to owners of real property who receive an award of 13 affordable housing tax credit as it pertains to creation of policies and practices to comply with this section. 14 SECTION 2. This act shall become effective November 1, 2025. 15 16 17 60-1-1854 TEK 3/13/2025 1:01:12 PM 18 19 20 21 22 23 24