

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

SENATE BILL 1692

By: Stanley

AS INTRODUCED

An Act relating to the Municipal Code Lien Enforcement Act of 2025; amending Section 6, Chapter 334, O.S.L. 2025 (11 O.S. Supp. 2025, Section 22-140.5), which relates to notice; requiring notification of mortgage holders prior to filing a petition for foreclosure; updating statutory language and references; and providing an effective date.

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

SECTION 1. AMENDATORY Section 6, Chapter 334, O.S.L. 2025 (11 O.S. Supp. 2025, Section 22-140.5), is amended to read as follows:

Section 22-140.5. A. After a municipal code lien has been recorded with the office of the county clerk of the county in which the real property is located, the code enforcement director may identify those properties on which to commence a judicial in rem foreclosure in accordance with ~~this act~~ the Municipal Code Lien Enforcement Act of 2025, except that those properties the code enforcement director identifies as owner-occupied shall not be subject to judicial in rem foreclosure under ~~this act~~ the Municipal

1 Code Lien Enforcement Act of 2025. The code enforcement director
2 shall not file a petition for judicial in rem foreclosure in
3 accordance with ~~this act~~ the Municipal Code Lien Enforcement Act of
4 2025 for a period of six (6) months following the date upon which
5 the municipal code lien is recorded in the office of the county
6 clerk. A petition for judicial in rem foreclosure may include any
7 other municipal code lien that has been filed prior to the date the
8 petition is filed. After enforcement proceedings have commenced in
9 accordance with ~~this act~~ the Municipal Code Lien Enforcement Act of
10 2025, the enforcement proceedings may be amended to include any
11 subsequently arising municipal code liens and, if applicable, any
12 and all taxes as defined in ~~this act~~ the Municipal Code Lien
13 Enforcement Act of 2025.

14 B. If the property on which the municipality is seeking to
15 foreclose under ~~this act~~ the Municipal Code Lien Enforcement Act of
16 2025 is subject to taxes as defined in ~~this act~~ the Municipal Code
17 Lien Enforcement Act of 2025, then, at least sixty (60) days prior
18 to the filing of the petition, the code enforcement director shall
19 notify all other taxing agencies within the jurisdiction of the
20 municipality and ~~the State of Oklahoma~~ this state of the code
21 enforcement director's intention to file a petition for judicial in
22 rem foreclosure of the real property on which a municipal code lien
23 exists.

1 C. If the property on which the municipality is seeking to
2 foreclose under this section is subject to a recorded mortgage, at
3 least sixty (60) days prior to the filing of the petition, the code
4 enforcement director shall notify all mortgage holders within the
5 jurisdiction of the municipality and this state of the code
6 enforcement director's intention to file a petition for judicial in
7 rem foreclosure of the real property on which a municipal code lien
8 exists.

9 D. In the name of the municipality, the code enforcement
10 director shall, in the appropriate lis pendens record in the office
11 of the county clerk of the county in which the real property is
12 located, file a notice of his or her intent to file a judicial in
13 rem foreclosure action. The notice shall include a legal
14 description of the property, street address of the property if
15 available, a statement that the property is subject to judicial in
16 rem foreclosure proceedings under ~~this act~~ the Municipal Code Lien
17 Enforcement Act of 2025, and a statement that those proceedings may
18 extinguish any legal interests in the property.

19 ~~D.~~ E. Simultaneous with the filing of his or her notice of
20 intent to file a judicial in rem foreclosure action, the code
21 enforcement director, in the name of the municipality, shall file a
22 petition with the clerk of the district court for the district in
23 which the real property is located.

1 ~~E.~~ F. The petition shall be filed against the real property
2 against which the municipal code lien has been recorded and shall
3 provide all of the following:

4 1. The identity of the municipality and the name and address of
5 the code enforcement director;

6 2. The real property address;

7 3. A description of the real property;

8 4. The tax identification number of the real property;

9 5. The municipal code lien which is being foreclosed;

10 6. The principal amount of the municipal code lien together
11 with applicable interest and penalties;

12 7. The principal amount of any additional municipal code liens
13 together with applicable interest and penalties in accordance with
14 this section, if any;

15 8. The year or years for which the taxes are delinquent, if
16 any;

17 9. The principal amount of the taxes together with interest and
18 penalties, if any;

19 10. A statement that upon final sale in accordance with ~~this~~
20 ~~act~~ the Municipal Code Lien Enforcement Act of 2025 and payment of
21 the amount due for taxes, if applicable, an interested party's
22 rights of redemption shall be extinguished; and
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1 11. The names and addresses of all interested parties to whom
2 copies of the petition are to be sent in accordance with subsection
3 ~~F~~ G of this section.

4 ~~F~~ G. The municipality shall mail copies of the petition by
5 both certified mail, return receipt requested, and by regular mail
6 to all interested parties whose identities and addresses are
7 reasonably ascertainable. Copies of the petition shall also be
8 mailed by first-class mail to the real property address to the
9 attention of the occupants of the property, if any. In addition,
10 notice shall be physically posted on the real property and shall
11 include the following statement: "THIS PROPERTY IS SUBJECT TO A
12 JUDICIAL IN REM FORECLOSURE ACTION AND MAY BE TRANSFERRED TO [NAME
13 OF MUNICIPALITY] OR ANOTHER PARTY. PERSONS WITH INFORMATION
14 REGARDING THE CURRENT OWNER OF THE PROPERTY ARE REQUESTED TO CONTACT
15 [NAME OF MUNICIPALITY]."

16 ~~G~~ H. Within thirty (30) days of the filing of the petition,
17 the municipality shall cause a notice of the filing of the petition
18 to be published once each week for three (3) consecutive weeks in a
19 newspaper of general circulation in the county in which the property
20 is located. Such notice shall specify:

- 21 1. The name and address of the code enforcement director;
- 22 2. The real property address;
- 23 3. A description of the real property;
- 24 4. The tax identification number of the real property;

- 1 5. Any applicable municipal code lien which is being foreclosed
2 upon;
- 3 6. The principal amount of any municipal code lien together
4 with interest and penalties;
- 5 7. The applicable period of tax delinquency, if any;
- 6 8. The principal amount of taxes, if any;
- 7 9. That upon deposit with the appropriate parties by the court
8 of the tax payoff amount, if any, any and all rights of redemption
9 accorded to interested parties are extinguished; and
- 10 10. The date and place of the filing of the petition.

11 SECTION 2. This act shall become effective July 1, 2027.

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