

1 STATE OF OKLAHOMA

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

3 COMMITTEE SUBSTITUTE
4 FOR ENGROSSED
5 HOUSE BILL NO. 3255

By: Osburn of the House

and

6 Seifried of the Senate

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9 COMMITTEE SUBSTITUTE

10 An Act relating to real estate development; amending
11 60 O.S. 2021, Section 852, which relates to owners
12 associations; requiring adoption of and compliance
13 with a document retention policy by an owners
14 association; establishing minimum requirements for
15 certain policy; requiring provision of certain
16 documents upon court order; requiring filing of
17 certain documentation by owners association;
18 providing exceptions; updating statutory language;
19 and providing an effective date.

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

21 SECTION 1. AMENDATORY 60 O.S. 2021, Section 852, is
22 amended to read as follows:

23 Section 852. A. An "owners association" may be formed by the
24 owner or owners of real estate development for ~~the purpose~~ any or
all of the following purposes:

1 1. ~~providing~~ Providing management, maintenance, preservation,
2 and control of commonly owned areas or any portion of or interest in
3 ~~them, and/or~~ such areas; or

4 2. ~~enforcing~~ Enforcing all mutual, common, or reciprocal
5 interests in or restrictions upon all or portions of such separately
6 owned lots, parcels, or areas, or both such interests or
7 restrictions.

8 B. An owners association shall be formed by the execution of an
9 instrument signed and acknowledged by all owners of the real
10 property included in the real estate development. Such instrument
11 shall set forth in detail the nature of the obligations of the
12 members and shall be filed of record in the office of the county
13 clerk of the county ~~wherein~~ in which the real property is located.
14 The instrument shall include a description of ~~said~~ the real
15 property.

16 C. The owners association ~~shall have the power to~~ may enforce
17 any obligation in connection with membership in the owners
18 association by means of a levy or assessment which may become a lien
19 upon the separately or commonly owned lots, parcels, or areas of
20 defaulting owners or members, ~~which said.~~ Such lien may be
21 foreclosed in any manner provided by law for the foreclosure of
22 mortgages or deeds of trust, with or without a power of sale. In an
23 action brought to enforce any lien authorized pursuant to the
24 provisions of this ~~section~~ subsection, the prevailing party shall be

1 entitled to recover reasonable ~~attorney's~~ attorney fees to be fixed
2 by the court, which shall be taxed as costs in the action. No lien
3 may be placed or mortgage foreclosed unless the homeowner was
4 informed in writing upon joining the owners association of the
5 existence and content of the owners association restrictions and
6 rules, and of the potential for financial liability to the
7 individual owner by joining ~~said~~ the owners association.

8 D. 1. An owners association shall adopt and comply with a
9 document retention policy that includes but is not limited to the
10 following requirements:

11 a. real estate development instruments, declarations,
12 covenants, deeds of dedication, owner's certificates,
13 bylaws, articles of incorporation, easements, and
14 deeds, however designated or titled, relating to the
15 real estate development common areas and owners
16 association, and all amendments thereto shall be
17 retained permanently,

18 b. corporate minutes, resolutions, meeting notices, and
19 agendas shall be retained for seven (7) years,

20 c. account records of current owners association members
21 shall be retained for five (5) years,

22 d. contracts with a term of one (1) year or more shall be
23 retained for five (5) years after the expiration of
24 the contract term,

- 1 e. tax returns and audit records shall be retained for
2 seven (7) years, and
3 f. financial books and records shall be retained for
4 seven (7) years.

5 2. Pursuant to an order from a court of competent jurisdiction,
6 an owners association shall provide any requested documents that are
7 required to be retained by an owners association pursuant to this
8 section to parties specified in the court order.

9 E. 1. An owners association shall file, either in person or
10 electronically, the following information and documentation with the
11 county clerk in the county in which the owners association is
12 located. An owners association shall file changes or amendments
13 pertaining to the following information with the county clerk within
14 ten (10) days of when such change or amendment occurred:

- 15 a. the name of the subdivision,
16 b. the name and mailing address of the owners
17 association,
18 c. the plat recording data and other recording data for
19 the subdivision,
20 d. the recording data for the declaration instrument and
21 any amendments to the declaration instrument,
22 e. the name, mailing address, telephone number, and email
23 address of the person managing the association or the
24 association's designated representative,

- 1 f. the address of any website on which the association's
2 dedicatory instruments are available,
3 g. the amount and description of any fee or fees charged
4 by the association relating to a property transfer in
5 the subdivision, and
6 h. any other information the association deems
7 appropriate.

8 2. The requirements of paragraph 1 of this subsection shall not
9 apply to any person, partnership, trust, association, or corporation
10 or the partners, officers, or employees of any partnership, trust,
11 association, or corporation of a real estate developer or declarant,
12 or any successor declarant, in the administration, operation, or
13 management of an owners association within a real estate development
14 created or established by such developer or declarant, or in which
15 such developer or declarant owns at least one parcel of additional
16 lands intended for annexation or addition to such real estate
17 development.

18 SECTION 2. This act shall become effective November 1, 2024.

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