

1 **SENATE FLOOR VERSION**

2 April 7, 2015

3 ENGROSSED HOUSE  
4 BILL NO. 1449

By: Calvey of the House

5 and

6 Fry of the Senate

7  
8 An Act relating to landlord and tenant; amending 12  
9 O.S. 2011, Section 1148.5A, which relates to actions  
10 regarding real property; modifying certain service of  
11 summons; amending 41 O.S. 2011, Section 115, which  
relates to security deposits; prohibiting certain  
judicial determinations; declaring certain judicial  
determinations void; and providing an effective date.

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

15 SECTION 1. AMENDATORY 12 O.S. 2011, Section 1148.5A, is  
16 amended to read as follows:

17 Section 1148.5A If, in the exercise of reasonable diligence,  
18 service cannot be made upon the defendant personally nor upon any  
19 person residing upon the premises over fifteen (15) years of age,  
20 then in lieu of service by certified mail, service may be obtained  
21 for the sole purpose of adjudicating the right to restitution of the  
22 premises by ~~the sheriff's posting or by private process service~~ any  
23 person over eighteen (18) years of age, as directed by the attorney  
24 for the property owner, posting of said summons conspicuously on the

1 building on the premises, and, if there be no building on said  
2 premises, then by posting the same at some conspicuous place on the  
3 premises sought to be recovered at least five (5) days prior to the  
4 date of trial, and by the claimant's mailing a copy of said summons  
5 to the defendant at his or her last-known address by certified mail  
6 at least five (5) days prior to said date of trial. In order to  
7 approve the posting of a notice as described in this section, it  
8 shall not be necessary for the attorney to enter an appearance in  
9 the action. Such service shall confer no jurisdiction upon the  
10 court to render any judgment against the defendant for the payment  
11 of money nor for any relief other than the restoration of possession  
12 of the premises to the claimant, unless the defendant appears at  
13 trial. Such service shall not be rendered ineffectual by the  
14 failure of the defendant to actually see or receive such posted  
15 process nor by his or her failure to actually receive or sign a  
16 return receipt for such mailed process.

17 SECTION 2. AMENDATORY 41 O.S. 2011, Section 115, is  
18 amended to read as follows:

19 Section 115. A. Any damage or security deposit required by a  
20 landlord of a tenant must be kept in an escrow account for the  
21 tenant, which account shall be maintained in the State of Oklahoma  
22 with a federally insured financial institution. Misappropriation of  
23 the security deposit shall be unlawful and punishable by a term in a  
24 county jail not to exceed six (6) months and by a fine in an amount

1 not to exceed twice the amount misappropriated from the escrow  
2 account.

3 B. Upon termination of the tenancy, any security deposit held  
4 by the landlord may be applied to the payment of accrued rent and  
5 the amount of damages which the landlord has suffered by reason of  
6 the tenant's noncompliance with this act and the rental agreement,  
7 all as itemized by the landlord in a written statement delivered by  
8 mail to be by return receipt requested and to be signed for by any  
9 person of statutory service age at such address or in person to the  
10 tenant if he or she can reasonably be found. If the landlord  
11 proposes to retain any portion of the security deposit for rent,  
12 damages or other legally allowable charges under the provisions of  
13 this act or the rental agreement, the landlord shall return the  
14 balance of the security deposit without interest to the tenant  
15 within thirty (30) days after the termination of tenancy, delivery  
16 of possession and written demand by the tenant. If the tenant does  
17 not make such written demand of such deposit within six (6) months  
18 after termination of the tenancy, the deposit reverts to the  
19 landlord in consideration of the costs and burden of maintaining the  
20 escrow account, and the interest of the tenant in that deposit  
21 terminates at that time.

22 C. Upon cessation of a landlord's interest in the dwelling unit  
23 including, but not limited to, termination of interest by sale,  
24 assignment, death, bankruptcy, appointment of receiver or otherwise,

1 the person in possession of the tenants' damage or security deposits  
2 at his or her option or pursuant to court order shall, within a  
3 reasonable time:

4 1. Transfer said deposits to the landlord's successor in  
5 interest and notify the tenants in writing of such transfer and of  
6 the transferee's name and address; or

7 2. Return the deposits to the tenants.

8 D. Upon receipt of the transferred deposits under paragraph 1  
9 of subsection C of this section, the transferee, in relation to such  
10 deposits, shall have all the rights and obligations of a landlord  
11 holding such deposits under this act.

12 E. If a landlord or manager fails to comply with this section  
13 or fails to return any prepaid rent required to be paid to a tenant  
14 under this act, the tenant may recover the damage and security  
15 deposit and prepaid rent, if any.

16 F. Except as otherwise provided by the rental agreement, a  
17 tenant shall not apply or deduct any portion of the security deposit  
18 from the last month's rent or use or apply such tenant's security  
19 deposit at any time in lieu of payment of rent.

20 G. This section does not preclude the landlord or tenant from  
21 recovering other damages to which he or she may be entitled under  
22 this act.

23 H. No judicial determination or order regarding a security  
24 deposit shall be issued if a tenant is still in possession of the

1 premises and any judicial determination or order regarding a  
2 security deposit issued prior to the tenant vacating the premises  
3 shall be null and void.

4 SECTION 3. This act shall become effective November 1, 2015.

5 COMMITTEE REPORT BY: COMMITTEE ON JUDICIARY  
6 April 7, 2015 - DO PASS  
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