

Title 605 – Oklahoma Real Estate Commission
CHAPTER 10. Requirements, Standards and Procedures

RULE IMPACT STATEMENT

Pursuant to the Administrative Procedures Act, Section 303(D) of Title 75 of the Oklahoma Statutes, the Oklahoma Real Estate Commission hereby submits the following Rule Impact Statement for **PERMANENT** rule proposals for OAC Title 605, Oklahoma Real Estate Commission, Chapter 10, Requirements, Standards and Procedures.

Brief Description of the Purpose of the Proposed Rules:

The purpose of the Oklahoma Real Estate Commission’s proposed permanent rules is to: (1) clarify continuing education requirements and remove unnecessary language regarding submission processes for continuing education completion, (2) clarify the process for closing a branch office (3) clarify the trust account compliance standards and document availability requirement for inspections (4) remove unnecessary language related to brokerage service agreements and redundant language regarding disclosure for psychological factors, and (5) clarify the complaint notification process and define familial relationship for necessary disclosures.

Description of the classes of persons who most likely will be affected by the proposed rule, including classes that will bear the cost of the proposed rule, and any information on cost impacts received by the agency from any private or public entities:

Brokerages, brokers, and associates will have increased clarity regarding trust account compliance and best practices when holding the monies of others. The general public will be better protected from financial harm due to clarified disclosure requirements. No information on cost impact has been received by the agency from private or public entities to date.

Description of the classes of persons who will benefit from the proposed rule:

Brokerages, brokers, and associates will benefit from having increased clarity regarding trust account compliance and best practices when holding the monies of others. The general public will be better protected from financial harm due to clarified disclosure requirements.

Description of the probable economic impact of the proposed rule upon affected classes of persons or political subdivisions, including a listing for all fee changes and, whenever possible, separate justification for each fee change:

The proposed rule is not expected to have a significant economic impact on any affected classes of persons or political subdivisions.

The probable costs and benefits to the agency and to any other agency of the implementation and enforcement of the proposed rule, the source of revenue to be used for implementation and enforcement of the proposed rule, and anticipated effect on state revenues, including a projected net loss or gain in such revenues if it can be projected by the agency:

The proposed rules under OAC 605:10 are not expected to provide a substantial increase or decrease in agency revenue.

A determination of whether implementation of the proposed rule will have an economic impact on any political subdivision or require their cooperation in implementing or enforcing the rule:

As previously stated, the proposed rules under OAC 605:10 are not expected to have a significant economic impact on any political subdivisions.

A determination of whether implementation of the proposed rule may have an adverse economic effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act:

No adverse economic effect is anticipated on small businesses.

An explanation of the measures the agency has taken to minimize compliance costs and a determination of whether there are less costly or non-regulatory methods or less intrusive methods for achieving the purpose of the proposed rules:

The Real Estate Commission has implemented a voluntary and complimentary program to all real estate licensees to perform office compliance reviews to help ensure brokerages are meeting all regulatory requirements and are utilizing industry best practices to better serve citizens.

A determination of the effect of the proposed rule on the public health, safety and environment and, if the proposed rule is designed to reduce significant risks to the public health, safety and environment, an explanation of the nature of the risk and to what extent the proposed rule will reduce the risk:

The proposed rule changes will reduce significant risks to the public as the public will be better protected from financial harm due to clarified disclosure requirements. Additionally, the proposed rules will better protect the public from financial harm as the Commission will be able to review financial records relating to brokers' trust accounts that are created to hold the monies of others.

A determination of any detrimental effect on the public health, safety and environment if the proposed rules are not implemented:

If the proposed rule changes are not implemented there will be a detrimental effect on public health, safety, and environment as the Commission will not have rules that adequately define types of familial relationships that require disclosure when offering services to citizens in real estate transactions. There will also be a detrimental effect as the Commission will be unable to review financial records relating to brokers' trust accounts that are created to hold the monies of others.

Date the rule impact statement was prepared and the date modified:

Prepared: October 25th, 2024

Modified: n/a

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