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.

Statement of need and Legal Basis:
The proposed Rules are deemed necessary or expedient by the Commission for the performance of its statutory duties as authorized by Section 858-208(1) of Title 59. Additional authority for specific provisions includes 59 O.S., §§ 858-301 et seq., 858-307.2, and 858-314.

Classification of the Rules and Justification for the Classification:
Nonmajor Rules because the implementation of the proposed rules will not result in One million dollars ($1,000,000) of implementation and compliance costs over the initial five-year period. The expected additional costs of implementation are expected to be minimal to none. Licensees who are already wholesalers are already subject to the Commission's existing record retention rules, so the proposed recordkeeping provision adds no cost for them. Unlicensed wholesalers not already subject to the rule are already required to keep records under state law so the incremental burden is de minimis. The Commission estimates that total implementation and compliance costs are de minimis and well below the $1,000,000 threshold over the initial five-year period, and on that basis classifies the rules as nonmajor.

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 for deed theft as required under 59 O.S., § 858-307.2 (2) remove unnecessary language for new license applicants (3) consolidate the process for pre-license and post-license course and instructor applications and course standards (4) outline requirements for approved course instructors and service provided to enrolled students (5) clarify the approval process for business entity applications (6) clarify the number of pre-requisite course hours for out-of-state license applicants (7) clarify that a broker is responsible for any licensable activities performed by virtual and remote assistants and any software based tools (8) clarify when license disclosure is required (9) clarify that a team member cannot hold themselves out as owner of a real estate brokerage (10) update the Residential Property Condition Disclosure Statement to the most recent form version (11) establish procedures for the issuance and enforcement of cease and desist orders, including emergency cease and desist orders to protect the public health, safety, or welfare and (12) establish wholesaling compliance and recordkeeping requirements consistent with 59 O.S. § 858-314. The proposed rules are not explicitly mandated by federal law or required for a federally subsidized or assisted program.

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:
Licensed real estate brokers, sales associates, instructors, education providers, license applicants, and wholesalers (whether or not licensed by the Commission) will be most directly affected by the proposed rules. 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:
Oklahoma consumers, real estate licensees, and real estate education providers will benefit from increased clarity and accuracy within licensing requirements. Consumers will be better protected through enhanced disclosure procedures, clearer brokerage authority, and improved oversight of virtual assistants and software tools. Licensees and educators will also benefit from streamlined applications, updated requirements, and improved instruction standards.

Comprehensive Analysis of the Rules' Economic Impact:
The proposed rules are not expected to have an impact on the full-time employee count of the Commission. The costs are expected to be minimal to none. The proposed rules are not expected to have any cost on businesses, business sectors, public utility ratepayers, individuals, state or local government units, or the state economy as a whole. Consistent with the Legislative Office of Fiscal Transparency (LOFT) Economic Impact Guidance and 75 O.S. § 303, the Commission has evaluated the proposed rules against each category of potential economic effect. The Commission evaluated the proposed rules against each category of potential economic effect. The affected entities are the Commission; Oklahoma's real estate licensees, instructors, education providers, and applicants for real estate licensure; wholesalers operating in Oklahoma; and Oklahoma consumers. The Commission concludes that the clarifying, consolidating, and modernizing provisions impose no quantifiable one-time implementation cost and no material recurring compliance cost. The proposed wholesaler recordkeeping provision imposes no incremental cost on licensed brokers, who are already bound by the Commission's existing five-year record retention rule, and a de minimis incremental cost to other wholesalers.

Detailed explanation of methodology and assumptions used to determine the economic impact:
The Commission considered the cost of the proposed rules and found the cost was minimal to none on businesses, business sectors, public utility ratepayers, individuals, state or local government units, and state economy as whole. Since the proposed rules in subchapter three simplify already existing requirements or swap one required topic for another the cost of implementation is expected to be zero dollars ($0). Since the proposed rules in subchapter five consolidate and simplify already existing requirements, the cost of implementation is expected to be zero dollars ($0). Since the proposed rules in subchapter seven provide clarification on Commission oversight in already existing areas the cost of implementation is expected to be zero dollars ($0). Since the proposed rules in subchapter nine provide clarification on already existing requirements the cost of implementation is expected to be zero dollars ($0).

For each category, the Commission estimated the number of affected entities, the cost per entity, and the resulting total cost, considering both direct and indirect effects, and separated one-time implementation costs from recurring costs. The Commission's assumptions are drawn from its own licensing and education records, its existing enforcement staffing and processes, and typical recordkeeping practices already followed by real estate businesses. Because the Commission does not maintain a precise count of unlicensed wholesalers operating in the State, the wholesaler figures below are stated as estimates for the Commission to confirm. Where a category is marked "No," the Commission's basis for a zero-cost conclusion is stated.

No affected entity must purchase, lease, or modify facilities or acquire furniture, fixtures, vehicles, technology, or other durable goods. Wholesaler records may be maintained using ordinary business records already kept in the course of transactions. Cost per entity: $0. Total cost: $0.

The clarifying and consolidating provisions require no changes to licensees' business processes, goods, or services, and no advertising, customer notification, relabeling, or inventory changes. The updated Residential Property Condition Disclosure Statement replaces an existing form at no cost because the Commission publishes the form. Cost per entity: $0. Total cost: $0.

The rules add no new license, certification, registration, inspection, or renewal fee. Continuing education obligations are not increased in total hours; the deed theft requirement substitutes one required subject for existing elective time within the current thirty (30)-hour cycle, so there is no additional tuition cost attributable to this change. Cost per entity: $0. Total cost: $0.

The consolidations and clarifications require no additional employees or employee hours for licensees or the Commission. The one new affirmative obligation is wholesaler recordkeeping: a wholesaler must maintain records sufficient to demonstrate compliance with 59 O.S. § 858-314 for five (5) years and produce them to the Commission on request. Licensed real estate brokers are already required to maintain all transaction records and files for at least five (5) years under the Commission’s existing rules, so the provision imposes no incremental recordkeeping cost on them. For wholesalers not already subject to that rule, the underlying records are required to be created under 59 O.S. § 858-314, so the provision adds only the retention and production of records already generated in the ordinary course. The incremental burden is limited to organizing and retaining existing records and is de minimis. Expected total recurring cost: de minimis.

The rules require no additional travel by businesses, individuals, or government employees and create no mileage, airfare, lodging, or meal expenses. Cost per entity: $0. Total cost: $0.

The rules do not increase the cost of producing or providing goods or services, do not cause price increases, do not reduce sales or consumer choice, and do not place Oklahoma businesses at a competitive disadvantage relative to out-of-state producers. Cost per entity: $0. Total cost: $0.

The only governmental entity affected is the promulgating agency. The one-time cost is the staff time to develop the rules, approximately fifteen (15) hours, which is de minimis and absorbed within the Commission’s existing operations with no recurring governmental cost. The cease and desist and emergency cease and desist provisions are enforced using the Commission's existing

complaint, hearing, and enforcement staff and processes, so they create no new recurring governmental cost; any administrative fine is a penalty imposed only on a violating party and is not a compliance cost on compliant entities. The rules create no cost for other state agencies and no cost for, and require no cooperation from, counties, municipalities, school districts, or other political subdivisions.

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 businesses 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 Commission has minimized compliance costs by focusing on clarifications, consolidations, and procedural improvements rather than imposing new substantive requirements. Many provisions simply restate longstanding expectations or modernize existing processes to reflect current industry practices. For the limited new obligations, the Commission minimized cost by setting the wholesaler recordkeeping requirement to records already generated in the ordinary course of a transaction, and by enforcing the cease and desist provisions through the Commission's existing complaint and hearing process rather than any new program or staff.

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 rules positively impact public health, safety, and welfare by ensuring accurate disclosures, preventing consumer deception, and modernizing licensing procedures. Clarifications regarding deed theft education, brokerage authority, and virtual assistant conduct reduce the risks of fraud and unauthorized practice.

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 transparency and consumer protection may be diminished. Outdated forms, inconsistent instructor standards, and unclear expectations regarding virtual

assistants and software tools could increase the risk of misinformation, unauthorized practice, and consumer harm in real estate transactions. Failure to implement deed theft education requirements may also leave both licensees and consumers less prepared to identify or prevent fraudulent conduct.

Additionally, without clarified procedures for issuing and enforcing cease and desist orders, the Commission's ability to stop unlicensed activity or prevent ongoing harm to the public would be weakened. This could allow fraudulent or unqualified individuals to continue engaging in real estate practices to the detriment of Oklahoma consumers.

Analysis of Alternatives to Adopting the Rules:

Alternatives to adopting the Rules that consolidate and simplify would result in unnecessary or repetitive regulation. Alternatives to adopting the Rules that provide clarification could be to implement internal procedures for how the Commission may address issues that are not clear in the Rules, but this would ultimately result in less transparency and consistency.

Estimated Time Spent by State Employees to Develop Rule and Other Resources Used in Developing Rule:
The Estimated time spent by a state employee to develop these rules and other resources in developing the rule was around fifteen (15) hours.

Summary and Preliminary Comparison of Any Existing or Proposed Regulations Intended to Address the Activities to be Regulated by Proposed Administrative Rules:
There are not directly related Federal Regulations since these involve processes and requirements specific to the Oklahoma Real Estate Commission.

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

Prepared: November 6th, 2026
Modified: n/a

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