Title 605 – Oklahoma Real Estate Commission
CHAPTER 1. Administrative Operations

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 1, Administrative Operations.

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.

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.

Brief Description of the Purpose of the Proposed Rules:
The purpose of the Oklahoma Real Estate Commission's proposed permanent rules is to clarify requirements for the Contract Forms Committee. 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:
Licensees and the general public will be better served by having additional Contract Forms Committee members representing the title and mortgage lending industries to improve statewide contract forms. 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:
Licensees and the general public will benefit from having additional Contract Forms Committee members representing the title company and mortgage lending industries to improve statewide contract forms.

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 concludes that the proposed rules impose no quantifiable one-time implementation cost and no material recurring compliance cost on these entities over the initial five-year period, as detailed below.

Detailed explanation of methodology and assumptions used to determine the economic impact:
The Commission considered the cost of adding parameters around appointments to the Contract Forms Committee 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. It will cost zero dollars ($0) to the Commission to add clarification and parameters around appointments to the Committee.

For each category, the Commission estimated the number of affected entities, the cost per entity, and the resulting total cost, and separated one-time implementation costs from recurring costs. The Commission's assumptions are drawn from its own records of Contract Forms Committee meeting practices, open meeting practices, and its existing staffing. Where a category is marked "No," the Commission's basis for a zero-cost conclusion is stated.

The proposed rules do not require any affected entity to purchase, lease, or modify facilities or to acquire furniture, fixtures, vehicles, technology, or other durable goods. Cost per entity: $0. Total cost: $0.

The rules require no changes to the business processes, goods, or services of any brokerage or licensee, and no advertising, customer notification, relabeling, or inventory changes. Cost per entity: $0. Total cost: $0.

The rules add no license, certification, registration, inspection, or renewal fee, and require no additional education, testing, or training. Contract Forms Committee members receive continuing education credit for Contracts and Code and Rules courses, which is a benefit to those members rather than a cost. Cost per entity: $0. Total cost: $0.

The rules require no additional Commission employees or employee hours and clarifications around Committee members are tied to their volunteer time supplied by their appointing organizations, estimated at the same per-meeting commitment as existing members. The Commission estimates no net increase in paid employee hours. Recurring cost: $0.

Each Committee member is entitled to travel expenses under the State Travel Reimbursement Act. Because Committee meetings are typically conducted virtually, the Commission assumes few or no in-person meetings per year. Expected total recurring cost: de minimis, and $0 in any year with only virtual meetings.

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, estimated below at approximately two (2) hours. 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 Chapter 1 in Title 605 of the Oklahoma Administrative Code 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 facilitates Contract Forms Committee meetings virtually to help lower the cost of attendance for members. The Commission already schedules open Commission meetings, so any additional parameters set regarding the Commission's ability to regulate appointments to the Contract Forms Committee will result in de minimis cost.

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 improved statewide real estate contract forms.

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 public health, safety, and welfare may be adversely affected, as the Commission's statewide forms would lack critical input and feedback. The expertise of the Contract Forms Committee is essential to ensuring accurate, transparent, and

consumer-focused documents that protect Oklahomans during one of the largest financial transactions of their lives.

Analysis of Alternatives to Adopting the Rules:
Alternatives to adopting rules would be to invite members of the Oklahoma Mortgage Bankers Association to the Contract forms committee meetings or create a policy for the Commissioners to consider appointments to the Committee, but members of the committee would not be able to make significant contribution without the ability to be a voting member. This would also not provide sufficient transparency or consistency should the Commission make the determinations change.

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 two (2) 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 Committees 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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