

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 as Major or Nonmajor 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 the processes when a petition for declaratory ruling is filed and expands the Contract Forms Committee from thirteen (13) to fifteen (15) members. 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:

Brokerages, licensees, and consumers will have increased clarity submitting and obtaining declaratory rulings from the Commission. 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:

Brokerages, licensees, and consumers will benefit from having increased clarity submitting and obtaining declaratory rulings from the Commission. 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.

Detailed explanation of methodology and assumptions used to determine the economic impact:

The Commission considered the cost of adding two members 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. Since the meetings are typically virtual, it will cost zero dollars (\$0) to the Commission to add an additional two members to the Committee. The cost of appointments by Oklahoma Land and Title Association and Mortgage Bankers Association are expected to be minimal to none. The costs of implementing the new procedure for declaratory ruling are expected to be minimal to none because they do provide clarity to an already-existing process. The Commission already has a full-time attorney on staff that can assist in the review and determinations under the Rules, so it will cost the Commission zero additional dollars (\$0) to clarify its declaratory ruling process.

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 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 hired a General Counsel position and part of their duties will be to review declaratory rulings in order to minimize the legal cost of hiring outside counsel. The Commission facilitates Contract Forms Committee meetings virtually to help lower the cost of attendance for members.

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 from the title and mortgage lending industries. Their expertise 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 Land and Title Association and Mortgage Bankers Association to the Contract forms committee meetings, but they would not be able to make significant contribution without the ability to be a voting member. Another alternative to adopting rules would be to create an internal policy for declaratory rulings but this would not provide sufficient transparency or consistency across declaratory orders if staff for the Commission making the determinations should 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 four (4) 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 10th, 2025

Modified: n/a

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