

An Act

ENROLLED HOUSE
BILL NO. 2398

By: Russ of the House

and

Howard of the Senate

An Act relating to mortgage or lien releases; amending 46 O.S. 2011, Section 15, as last amended by Section 19, Chapter 210, O.S.L. 2016 (46 O.S. Supp. 2020, Section 15), which relates to mortgage holder releasing mortgage; authorizing agent of a mortgagor to make written requests to a holder of mortgage; and providing an effective date.

SUBJECT: Mortgage or lien releases

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

SECTION 1. AMENDATORY 46 O.S. 2011, Section 15, as last amended by Section 19, Chapter 210, O.S.L. 2016 (46 O.S. Supp. 2020, Section 15), is amended to read as follows:

Section 15. A. Any mortgage or judgment lien on real estate shall be released by the holder of any such mortgage or judgment lien within thirty (30) days of the payment of the debt secured by the mortgage or judgment lien and the holder of the mortgage or judgment lien shall file the release of the mortgage or judgment lien with the county clerk where the mortgage or judgment lien is recorded. If, at the end of the thirty-day period, the holder has failed to release the mortgage or judgment lien, the mortgagor or debtor, or the agent representing the mortgagor or debtor, may at any time request in writing the holder of the mortgage or judgment lien to release the mortgage or judgment lien and the holder of the mortgage or judgment lien shall have ten (10) days from the date of the request to release such mortgage or judgment lien. If the holder of the mortgage or judgment lien fails to release the mortgage or judgment lien by the end of such ten-day period, the mortgage or judgment lien holder shall then forfeit and pay to the mortgagor or debtor a penalty of one percent (1%) of the principal

debt not to exceed One Hundred Dollars (\$100.00) per day each day the release is not recorded after the ten-day period has expired and the penalty ~~shall~~ may be recovered in a civil action in any court having jurisdiction thereof, but the request for the release shall be in writing and describe the mortgage or judgment lien and premises with reasonable certainty. Provided that, the total penalty shall not exceed one hundred percent (100%) of the total principal debt.

B. A title insurance company ~~or its duly appointed agent~~ attorney may bring action on behalf of the mortgagor or debtor to recover the penalty described in subsection A of this section.

C. For purposes of this section:

1. "Mortgagor" shall include any subsequent purchaser of the mortgaged real estate; and

2. "Title insurance company" shall mean a corporation or other business entity authorized and licensed to transact business of insuring titles to interests in real property in this state.

SECTION 2. This act shall become effective November 1, 2021.

Passed the House of Representatives the 10th day of March, 2021.

Presiding Officer of the House
of Representatives

Passed the Senate the 21st day of April, 2021.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____