



OKLAHOMA  
REALTORS®

# PRIORITY LEGISLATION

2nd Session of the 59th Legislature

## HOUSE BILL 3318: Limiting Unfair Service Agreements

**Senate Author:**  
*Senator Bill Coleman*

**House Sponsor:**  
*Representative Steve Bashore*

**Oklahoma  
REALTORS®  
supported  
HB 3318.**

### **PROTECTING OKLAHOMANS FROM UNSCRUPULOUS SALES AGENTS**

*HB 3318 was the product of a partnership between the Oklahoma Association of REALTORS® and AARP. HB 3318 prevents unfair service agreements which last longer than one-year and also prevents the kind of agreements that have allowed predatory entities to prey on Oklahoma's elderly and uninformed in the potential sale of their homes.*

- Service agreements exist to ensure that when an agreement is made between a homeowner and a vendor that both sides follow through on the pieces of the contract for which they are responsible. Many legitimate service agreements exist which enhance a homeowner's experience, such as those for lawn services, house painting, or many other kinds of services. These types of contracts are ubiquitous in American society.
- Despite the good nature of most of these agreements, some entities use service agreements as a way to prey on unsophisticated or otherwise uninformed homeowners.
- A common form of this type of predatory behavior is the "40-year listing" agreement, which became popular for use by unscrupulous companies over the last several years. 40-year listing agreements run with the property and force homeowners to sign over the right to list their property for a long period of time, commonly 40 years. This is done for a small amount of money, usually no more than a few thousand dollars, and preys on people who are desperate for funds at the time that they sign.
- HB 3318 bans the 40-year listing agreement and ensures that any agreement that is made does not run with the property, is limited to one year, and does not auto-renew at the end of the term.

