



OFFICE OF ATTORNEY GENERAL
STATE OF OKLAHOMA

ATTORNEY GENERAL OPINION
2016-32A

Charla Slabotsky, Executive Director
Oklahoma Real Estate Commission
1915 N. Stiles Ave., Ste. 200
Oklahoma City, Oklahoma 73105

January 13, 2016

Dear Executive Director Slabotsky:

This office has received your request for a written Attorney General Opinion regarding agency action that the Oklahoma Real Estate Commission intends to take with respect to Board case UC-2015-006. The proposed action is to revoke the license and impose fines totaling \$4,000. The licensee commingled personal and client funds in licensee's trust account—using client funds to the tune of approximately \$16,000—and failed to cease business activities during a period of disability.

Oklahoma law authorizes the Commission to, “upon showing good cause, impose sanctions” on licensees. 59 O.S.2011, § 858-312. Good cause includes actions “[c]ommingling with the licensee’s own money or property the money or property of others which is received and held by the licensee.” *Id.* § 858-312(16). Further, the Commission’s administrative rules—authorized by 59 O.S.2011, § 858-208(1)—require real estate brokers operating as sole proprietors to cease business activities upon the death or disability of the real estate broker. OAC 605:10-9-6(2).

The action is intended to further two separate but important policies of this State. First, the action seeks to enforce real estate brokers’ obligations not to commingle client funds with their own money, a rule geared toward preventing the conversion or embezzlement of such money to the broker’s own use. Second, the action seeks to ensure that the death or disability of a real estate broker results in the orderly transition of client services to other professionals.

It is, therefore, the official opinion of the Attorney General that the Oklahoma Real Estate Commission has adequate support for the conclusion that this action advances the State of Oklahoma’s policies against commingling of client and real estate broker funds and its policies regarding professional conduct of real estate brokers.

A handwritten signature in black ink, appearing to read "E. Scott Pruitt", with a checkmark to the right.

E. SCOTT PRUITT
ATTORNEY GENERAL OF OKLAHOMA