

1 ENGROSSED HOUSE AMENDMENT

TO

2 ENGROSSED SENATE BILL NO. 430

By: Brinkley of the Senate

3 and

4 Roberts (Sean) of the House

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7 [Precious Metal and Gem Dealer Licensing Act -
8 records and hold periods - items in transaction -
9 violation - hold period - stolen or embezzled items -
notice - noncompliance by dealer - effective date]

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11 AMENDMENT NO. 1. Strike the stricken title, enacting clause and
12 entire bill and insert

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13 "An Act relating to the Precious Metal and Gem Dealer
14 Licensing Act; amending 59 O.S. 2011, Sections 1530,
15 as amended by Section 3, Chapter 153, O.S.L. 2013,
16 and 1531, as amended by Section 4, Chapter 153,
17 O.S.L. 2013 (59 O.S. Supp. 2014, Sections 1530 and
18 1531), which relate to records and hold periods;
19 clarifying required description of items in
20 transaction; providing for violation; increasing
21 hold period; establishing procedures for law
22 enforcement hold orders on stolen or embezzled
23 items; requiring certain information to be on hold
24 order; providing certain notice; providing penalty
for noncompliance by dealer; and providing an
effective date.

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

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1 SECTION 1. AMENDATORY 59 O.S. 2011, Section 1530, as
2 amended by Section 3, Chapter 153, O.S.L. 2013 (59 O.S. Supp. 2014,
3 Section 1530), is amended to read as follows:

4 Section 1530. A. Every dealer shall keep a record of any
5 transaction with any person involving the purchasing of any used
6 item made, or containing in whole or in part, any precious metal, or
7 gem, ~~the~~. The following information shall be recorded for precious
8 metals or gems:

9 1. An account and detailed description or photograph of the
10 item purchased, including, if applicable, the manufacturer's name,
11 the model, the model number, the serial number and any engraved
12 marking;

13 2. The amount of money involved in the transaction;

14 3. The date;

15 4. The name, address and ~~driver's~~ driver license number of the
16 person involved in the transaction with the dealer; if the person
17 has no ~~driver's~~ driver license, then the date of birth and general
18 physical description, including hair color and approximate height
19 and weight of that person; and

20 5. The signature of the seller.

21 For purposes of describing the item or items in the transaction
22 pursuant to paragraph 1 of this subsection, it shall be a violation
23 for the dealer to state only the number of grams and type of
24 precious metal or type of gem as a description. The description

1 shall clearly and accurately describe each item containing any
2 precious metals or gems presented to the dealer for purposes of the
3 transaction.

4 B. The record required by this section shall be kept for a
5 period of four (4) years. Such record shall be made available
6 during regular business hours for inspection by the Department of
7 Consumer Credit and any law enforcement officer authorized by a law
8 enforcement agency to inspect such record.

9 C. No dealer shall be required to furnish the description of
10 any new property purchased from manufacturers or wholesale dealers
11 at an established place of business or of any goods purchased from
12 any bankrupt stock. Such goods shall be accompanied by a bill of
13 sale or other evidence of open and legitimate purchase. The bill of
14 sale shall also be available for inspection during regular business
15 hours.

16 D. No dealer shall be required to furnish a description of
17 property purchased from another licensed dealer or to meet the
18 holding period provided for in Section 1531 of this title if that
19 dealer has met the requirements provided for in subsection A of this
20 section and Section 1531 of this title upon the initial purchase of
21 the property; and provided, that each shall record the license number
22 of the other dealer and the amount of the transaction.

1 SECTION 2. AMENDATORY 59 O.S. 2011, Section 1531, as
2 amended by Section 4, Chapter 153, O.S.L. 2013 (59 O.S. Supp. 2014,
3 Section 1531), is amended to read as follows:

4 Section 1531. A. Every dealer must keep at the business
5 location designated in the license application, all used articles
6 made, in whole or in part, of precious metals or gems, for
7 inspection by any law enforcement officer and the Department of
8 Consumer Credit at reasonable times for a period of ten (10) days or
9 until the articles have been released by written authorization of
10 any law enforcement officer authorized by the law enforcement agency
11 or its designee, except as provided for in subsection C of Section
12 1525 of this title. During this period, the appearance of such
13 articles shall not be altered in any way. A dealer is not
14 prohibited from selling or arranging to sell such articles during
15 the ten-day period as long as such articles remain in his or her
16 possession as required by this section.

17 B. Whenever a peace officer has probable cause to believe that
18 property in possession of a licensed dealer is stolen or embezzled,
19 the peace officer of the local law enforcement agency of the
20 municipality or other political subdivision in which the dealer is
21 located may place a written hold order on the property. The initial
22 term of the written hold order shall not exceed thirty (30) days.
23 However, the holding period may be extended in successive thirty-day
24 increments upon written notification prior to the expiration of the

1 initial holding period. If the holding period has expired and has
2 not been extended, the hold order shall be considered expired and no
3 longer in effect, and title shall vest in the dealer subject to any
4 restrictions contained in a sale contract. The initial written hold
5 order shall contain the following information:

6 1. Signature of the dealer or designee;

7 2. Name, title and identification number of the peace officer
8 placing the hold order;

9 3. Name and address of the agency to which the peace officer is
10 attached and the offense number;

11 4. Complete description of the property to be held, including
12 model number, serial number and transaction number;

13 5. Name of agency reporting the property stolen or embezzled;

14 6. Mailing address of the dealer where the property is held;

15 and

16 7. Expiration date of the holding period.

17 C. While a hold order is in effect, the dealer may consent to
18 release, upon written receipt, the stolen or embezzled property to
19 the custody of the local law enforcement agency to which the peace
20 officer placing the hold order is attached. The consent to release
21 the stolen or embezzled property to the custody of law enforcement
22 is not a waiver or release of the dealer's property rights or
23 interest in the property. Otherwise, the dealer shall not release
24 or dispose of the property except pursuant to a court order or the

1 expiration of the holding period including all extensions. The
2 district attorney's office shall notify the dealer in writing in
3 cases where criminal charges have been filed that the property may
4 be needed as evidence. The notice shall contain the case number,
5 the style of the case and a description of the property. The dealer
6 shall hold such property until receiving notice of the disposition
7 of the case from the district attorney's office. The district
8 attorney's office shall notify the dealer in writing within fifteen
9 (15) days of the disposition of the case. Willful noncompliance of
10 a dealer to a written hold order shall be cause for the dealer's
11 license to either be suspended or revoked. A hold order may be
12 released prior to the expiration of any thirty-day holding period by
13 written release from the agency placing the initial hold order.

14 D. Upon approval of the Administrator, a dealer may also
15 designate an additional location for storage of items required to be
16 held under the provisions of the Precious Metal and Gem Dealer
17 Industry Act. This location shall be either a vault or a bank. The
18 address of the designated additional location shall be filed with
19 the Administrator. The Administrator shall require documentation to
20 verify that the additional storage location will be utilized by the
21 dealer, including, but not limited to, a lease or rental agreement
22 between the dealer and the owner of the additional storage location.
23 The Administrator shall also require the name, contact person and
24 telephone number of the additional storage location. The

1 Administrator shall release the designated location only to law
2 enforcement agencies. The designated additional location shall be
3 available for inspection by the Department of Consumer Credit or any
4 law enforcement officer of this state authorized by the law
5 enforcement agency to inspect the same. A dealer shall provide
6 written notice to the Administrator at least thirty (30) days prior
7 to terminating a lease or rental agreement for an additional storage
8 location.

9 SECTION 3. This act shall become effective November 1, 2015."

10 Passed the House of Representatives the 14th day of April, 2015.

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13 _____
14 Presiding Officer of the House of
Representatives

15 Passed the Senate the ____ day of _____, 2015.

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19 Presiding Officer of the Senate
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1 ENGROSSED SENATE
2 BILL NO. 430

By: Brinkley of the Senate

3 and

4 Roberts (Sean) of the House

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6 [Precious Metal and Gem Dealer Licensing Act -
7 records and hold periods - items in transaction -
8 violation - hold period - stolen or embezzled items -
9 notice - noncompliance by dealer - effective date]

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

11 SECTION 4. AMENDATORY 59 O.S. 2011, Section 1530, as
12 amended by Section 3, Chapter 153, O.S.L. 2013 (59 O.S. Supp. 2014,
13 Section 1530), is amended to read as follows:

14 Section 1530. A. Every dealer shall keep a record of any
15 transaction with any person involving the purchasing of any used
16 item made, or containing in whole or in part, any precious metal, or
17 gem, ~~the~~. The following information shall be recorded for precious
18 metals or gems:

19 1. An account and detailed description or photograph of the
20 item purchased, including, if applicable, the manufacturer's name,
21 the model, the model number, the serial number and any engraved
22 marking;

23 2. The amount of money involved in the transaction;

24 3. The date;

1 4. The name, address and driver's license number of the person
2 involved in the transaction with the dealer; if the person has no
3 ~~driver's~~ driver license, then the date of birth and general physical
4 description, including hair color and approximate height and weight
5 of that person; and

6 5. The signature of the seller.

7 For purposes of describing the item or items in the transaction
8 pursuant to paragraph 1 of this subsection, it shall be a violation
9 for the dealer to state only the number of grams and type of
10 precious metal or type of gem as a description. The description
11 shall clearly and accurately describe each item containing any
12 precious metals or gems presented to the dealer for purposes of the
13 transaction.

14 B. The record required by this section shall be kept for a
15 period of four (4) years. Such record shall be made available
16 during regular business hours for inspection by the Department of
17 Consumer Credit and any law enforcement officer authorized by a law
18 enforcement agency to inspect such record.

19 C. No dealer shall be required to furnish the description of
20 any new property purchased from manufacturers or wholesale dealers
21 at an established place of business or of any goods purchased from
22 any bankrupt stock. Such goods shall be accompanied by a bill of
23 sale or other evidence of open and legitimate purchase. The bill of
24

1 sale shall also be available for inspection during regular business
2 hours.

3 D. No dealer shall be required to furnish a description of
4 property purchased from another licensed dealer or to meet the
5 holding period provided for in Section 1531 of this title if that
6 dealer has met the requirements provided for in subsection A of this
7 section and Section 1531 of this title upon the initial purchase of
8 the property; provided, that each shall record the license number
9 of the other dealer and the amount of the transaction.

10 SECTION 5. AMENDATORY 59 O.S. 2011, Section 1531, as
11 amended by Section 4, Chapter 153, O.S.L. 2013 (59 O.S. Supp. 2014,
12 Section 1531), is amended to read as follows:

13 Section 1531. A. Every dealer must keep at the business
14 location designated in the license application, all used articles
15 made, in whole or in part, of precious metals or gems, for
16 inspection by any law enforcement officer and the Department of
17 Consumer Credit at reasonable times for a period of ~~ten (10)~~
18 fourteen (14) days or until the articles have been released by
19 written authorization of any law enforcement officer authorized by
20 the law enforcement agency or its designee, except as provided for
21 in subsection C of Section 1525 of this title. During this period,
22 the appearance of such articles shall not be altered in any way. A
23 dealer is not prohibited from selling or arranging to sell such
24 articles during the ~~ten-day~~ fourteen-day period as long as such

1 articles remain in his or her possession as required by this
2 section.

3 B. Whenever a peace officer has probable cause to believe that
4 property in possession of a licensed dealer is stolen or embezzled,
5 the peace officer of the local law enforcement agency of the
6 municipality or other political subdivision in which the dealer is
7 located may place a written hold order on the property. The initial
8 term of the written hold order shall not exceed thirty (30) days.
9 However, the holding period may be extended in successive thirty
10 (30) day increments upon written notification prior to the
11 expiration of the initial holding period. If the holding period has
12 expired and has not been extended, the hold order shall be
13 considered expired and no longer in effect, and title shall vest in
14 the dealer subject to any restrictions contained in a sale contract.
15 The initial written hold order shall contain the following
16 information:

17 1. Signature of the dealer or designee;

18 2. Name, title and identification number of the peace officer
19 placing the hold order;

20 3. Name and address of the agency to which the peace officer is
21 attached and the offense number;

22 4. Complete description of the property to be held, including
23 model number, serial number and transaction number;

24

1 5. Name of agency reporting the property to be stolen or
2 embezzled;

3 6. Mailing address of the dealer where the property is held;
4 and

5 7. Expiration date of the holding period.

6 C. While a hold order is in effect, the dealer may consent to
7 release, upon written receipt, the stolen or embezzled property to
8 the custody of the local law enforcement agency to which the peace
9 officer placing the hold order is attached. The consent to release
10 the stolen or embezzled property to the custody of law enforcement
11 is not a waiver or release of the dealer's property rights or
12 interest in the property. Otherwise, the dealer shall not release
13 or dispose of the property except pursuant to a court order or the
14 expiration of the holding period including all extensions. The
15 district attorney's office shall notify the dealer in writing in
16 cases where criminal charges have been filed that the property may
17 be needed as evidence. The notice shall contain the case number,
18 the style of the case, and a description of the property. The
19 dealer shall hold such property until receiving notice of the
20 disposition of the case from the district attorney's office. The
21 district attorney's office shall notify the dealer in writing within
22 fifteen (15) days of the disposition of the case. Willful
23 noncompliance of a dealer to a written hold order shall be cause for
24 the dealer's license to either be suspended or revoked. A hold

1 order may be released prior to the expiration of any thirty-day
2 holding period by written release from the agency placing the
3 initial hold order.

4 D. Upon approval of the Administrator, a dealer may also
5 designate an additional location for storage of items required to be
6 held under the provisions of the Precious Metal and Gem Dealer
7 Industry Act. This location shall be either a vault or a bank. The
8 address of the designated additional location shall be filed with
9 the Administrator. The Administrator shall require documentation to
10 verify that the additional storage location will be utilized by the
11 dealer, including, but not limited to, a lease or rental agreement
12 between the dealer and the owner of the additional storage location.
13 The Administrator shall also require the name, contact person and
14 telephone number of the additional storage location. The
15 Administrator shall release the designated location only to law
16 enforcement agencies. The designated additional location shall be
17 available for inspection by the Department of Consumer Credit or any
18 law enforcement officer of this state authorized by the law
19 enforcement agency to inspect the same. A dealer shall provide
20 written notice to the Administrator at least thirty (30) days prior
21 to terminating a lease or rental agreement for an additional storage
22 location.

23 SECTION 6. This act shall become effective November 1, 2015.

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