

An Act

ENROLLED HOUSE
BILL NO. 1996

By: Vancuren of the House

and

Leewright of the Senate

An Act relating to consumer credit; amending 14A O.S. 2011, Section 6-203, which relates to fees; requiring payment of an investigation fee; allowing for expiration of license if not paid; requiring payment of certain other fees; amending 59 O.S. 2011, Section 1508, which relates to examinations, investigations and access to records; requiring payment of certain late fee; amending 59 O.S. 2011, Section 1953, which relates to investigation, license and annual renewal fees; requiring payment of certain late fee; and providing an effective date.

SUBJECT: Fees paid to the Administrator of Consumer Credit

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

SECTION 1. AMENDATORY 14A O.S. 2011, Section 6-203, is amended to read as follows:

Section 6-203. (1) Any person required to file notification pursuant to the provisions of Section 6-201 of this title, on or before January 31 of each year, shall pay to the Administrator of Consumer Credit an annual fee as prescribed by rule, and an investigation fee of One Hundred Dollars (\$100.00) for each business location. A late fee shall be charged for any notification filed after January 31. The license shall expire thirty (30) days after January 31 of any year for which the annual fee and investigation fee have not been paid. Licensees shall also pay a fee of Twenty-five Dollars (\$25.00) for any returned check, address or license change or duplicate license request.

(2) The term "licensee" or "license", as used in this title, includes any entity or individual that has filed or is required to file notification with the Administrator pursuant to the provisions of Sections 6-201 through 6-203 of this title.

SECTION 2. AMENDATORY 59 O.S. 2011, Section 1508, is amended to read as follows:

Section 1508. A. At such times as the Administrator of Consumer Credit may deem necessary, the Administrator or a duly authorized representative of the Administrator may make an examination of the place of business of each licensee and may inquire into and examine the transactions, books, accounts, papers, correspondence and records of such licensee insofar as they pertain to the business regulated by the Oklahoma Pawnshop Act. Such books, accounts, papers, correspondence, records and property taken, purchased or received shall also be open for inspection at any reasonable time to federal law enforcement officials and the chief of police, district attorney, sheriff or written designee of the law enforcement body in whose jurisdiction the pawnshop is located, without any need of judicial writ or other process. In the course of an examination, the Administrator or duly authorized representative or any authorized peace officer shall have free access to the office, place of business, files, safes and vaults of such licensee, and shall have the right to make copies of any books, accounts, papers, correspondence and records insofar as they pertain to the business regulated by the Oklahoma Pawnshop Act. The Administrator or duly authorized representative may, during the course of such examination, administer oaths and examine any person under oath upon any subject pertinent to any matter about which the Administrator is authorized or required by the Oklahoma Pawnshop Act to consider, investigate or secure information. Any licensee who fails or refuses to permit the Administrator or duly authorized representative or any authorized peace officer to examine or make copies of such books or other relevant documents shall thereby be deemed in violation of the Oklahoma Pawnshop Act and such failure or refusal shall constitute grounds for the suspension or revocation of such license. The information obtained in the course of any examination or inspection shall be confidential, except in civil or administrative proceedings conducted by the Administrator, or criminal proceedings instituted by the state. Each licensee shall pay to the Administrator an examination fee. The Administrator may require payment of an examination fee either at the time of initial

application, renewal of the license, or after an examination has been conducted.

B. Whenever a peace officer has probable cause to believe that property in possession of a licensed pawnbroker is stolen or embezzled, the peace officer of the local law enforcement agency of the municipality or other political subdivision in which the pawnshop resides may place a written hold order on the property. The initial term of the written hold order shall not exceed thirty (30) days. However, the holding period may be extended in successive thirty (30) day increments upon written notification prior to the expiration of the initial holding period. If the holding period has expired and has not been extended, the hold order shall be considered expired and no longer in effect, and title shall vest in the pawnbroker subject to any restrictions contained in the pawn contract. The initial written hold order shall contain the following information:

1. Signature of the pawnbroker or designee;
2. Name, title and identification number of the peace officer placing the hold order;
3. Name and address of the agency to which the peace officer is attached and the offense number;
4. Complete description of the property to be held, including model number, serial number and transaction number;
5. Name of agency reporting the property to be stolen or embezzled;
6. Mailing address of the pawnshop where the property is held; and
7. Expiration date of the holding period.

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

order or the expiration of the holding period including all extensions. The district attorney's office shall notify the pawnbroker in writing in cases where criminal charges have been filed that the property may be needed as evidence. The notice shall contain the case number, the style of the case, and a description of the property. The pawnbroker shall hold such property until receiving notice of the disposition of the case from the district attorney's office. The district attorney's office shall notify the pawnbroker in writing within fifteen (15) days of the disposition of the case. Willful noncompliance of a pawnbroker to a written hold order shall be cause for the pawnbroker's license to either be suspended or revoked pursuant to paragraph 2 of subsection A B of Section 1507 of this title. A hold order may be released prior to the expiration of any thirty-day holding period by written release from the agency placing the initial hold order.

D. For the purpose of discovering violations of the Oklahoma Pawnshop Act or of securing information required hereunder, the Administrator or duly authorized representative may investigate the books, accounts, papers, correspondence and records of any licensee or other person who the Administrator has reasonable cause to believe is violating any provision of the Oklahoma Pawnshop Act whether or not such person shall claim to be within the authority or scope of the Oklahoma Pawnshop Act. For the purpose of this section, any person who advertises for, solicits or holds himself out as willing to make pawn transactions, shall be presumed to be a pawnbroker.

E. Each licensee shall keep or make available in this state such books and records relating to pawn transactions made under the Oklahoma Pawnshop Act as are necessary to enable the Administrator to determine whether the licensee is complying with the Oklahoma Pawnshop Act. Such books and records shall be consistent with accepted accounting practices.

F. Each licensee shall preserve or make available such books and records in this state relating to each of its pawn transactions for four (4) years from the date of the transaction, or two (2) years from the date of the final entry made thereon, whichever is later. Each licensee's system of records shall be accepted if it discloses such information as may be reasonably required under the Oklahoma Pawnshop Act. All agreements signed by customers shall be kept at an office in this state designated by the licensee, except when transferred under an agreement which gives the Administrator access thereto. All credit sales made by a pawnbroker, other than

those sales defined in paragraph 6 of Section 1502 of this title, as a pawn transaction, shall be made in accordance with and subject to the provisions of Title 14A of the Oklahoma Statutes.

G. Each licensee shall, annually on or before the first day of May or other date thereafter fixed by the Administrator, file a report with the Administrator setting forth such relevant information as the Administrator may reasonably require concerning the business and operations during the preceding calendar year for each licensed place of business conducted by such licensee within the state. Such report shall be made under oath and shall be in the form prescribed by the Administrator, who may make and publish annually a consolidated analysis and recapitulation of such reports, but the individual reports shall be held confidential. There shall be a late fee of Fifty Dollars (\$50.00) if such report is not filed on or before the date fixed by the Administrator.

H. The Administrator may promulgate rules necessary for the enforcement of the Oklahoma Pawnshop Act consistent with all its provisions. Before making such a rule relating to the licensees subject to the Oklahoma Pawnshop Act, the Administrator shall give each licensee at least thirty (30) days' written notice of a public hearing, stating the time and place thereof and the terms or substance of the proposed regulation. At the hearing, any licensee or other person may be heard and may introduce evidence, data or arguments or place the same on file. The Administrator, after consideration of all relevant matters presented, shall adopt and promulgate every rule in written form, stating the date of adoption and date of promulgation. Each such rule shall be entered in a permanent record book which shall be public record and be kept in the Administrator's office. A copy of every rule shall be mailed to each licensee, and no such rule shall become effective until the expiration of at least twenty (20) days after such mailing. On the application of any person and payment of the cost thereof, the Administrator shall furnish such person a certified copy of such rule.

I. Except as otherwise expressly provided in the Oklahoma Pawnshop Act, the Administrative Procedures Act, ~~Section 251~~ Sections 250 et seq. and ~~301~~ 250.3 et seq. of Title 75 of the Oklahoma Statutes, applies to and governs all administrative actions and civil proceedings taken by the Administrator pursuant to the Oklahoma Pawnshop Act.

SECTION 3. AMENDATORY 59 O.S. 2011, Section 1953, is amended to read as follows:

Section 1953. A. Lessors shall pay an initial investigation and license fee and an annual license renewal fee per place of business, which fees shall accompany the license renewal form. Lessors shall also pay a fee for any returned check, address or license change, or duplicate license request. There shall be a late fee for a late application for renewal of a license received after December 1 of each year. This late fee shall consist of a charge of Ten Dollars (\$10.00) per day, for up to thirty (30) days.

B. Lessors shall pay a rental-purchase agreement reviewal fee as prescribed by rule of the Commission on Consumer Credit for any rental-purchase agreement submitted to the Administrator of Consumer Credit for review and approval. The Commission may prescribe by rule a process for submitting rental-purchase agreements to the Administrator for review and approval.

SECTION 4. This act shall become effective November 1, 2019.

Passed the House of Representatives the 7th day of March, 2019.

Presiding Officer of the House
of Representatives

Passed the Senate the 16th day of April, 2019.

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: _____