

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 COMMITTEE SUBSTITUTE

4 FOR ENGROSSED

5 SENATE BILL NO. 430

By: Brinkley of the Senate

and

6 Roberts (Sean) of the House

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10 COMMITTEE SUBSTITUTE

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

24
BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

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

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

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

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

11 3. The date;

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

17 5. The signature of the seller.

18 For purposes of describing the item or items in the transaction
19 pursuant to paragraph 1 of this subsection, it shall be a violation
20 for the dealer to state only the number of grams and type of
21 precious metal or type of gem as a description. The description
22 shall clearly and accurately describe each item containing any
23 precious metals or gems presented to the dealer for purposes of the
24 transaction.

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

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

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

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

23 Section 1531. A. Every dealer must keep at the business
24 location designated in the license application, all used articles

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

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

1 1. Signature of the dealer or designee;

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

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

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

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

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

10 and

11 7. Expiration date of the holding period.

12 C. While a hold order is in effect, the dealer may consent to
13 release, upon written receipt, the stolen or embezzled property to
14 the custody of the local law enforcement agency to which the peace
15 officer placing the hold order is attached. The consent to release

16 the stolen or embezzled property to the custody of law enforcement
17 is not a waiver or release of the dealer's property rights or

18 interest in the property. Otherwise, the dealer shall not release
19 or dispose of the property except pursuant to a court order or the

20 expiration of the holding period including all extensions. The

21 district attorney's office shall notify the dealer in writing in

22 cases where criminal charges have been filed that the property may
23 be needed as evidence. The notice shall contain the case number,

24 the style of the case and a description of the property. The dealer

1 shall hold such property until receiving notice of the disposition
2 of the case from the district attorney's office. The district
3 attorney's office shall notify the dealer in writing within fifteen
4 (15) days of the disposition of the case. Willful noncompliance of
5 a dealer to a written hold order shall be cause for the dealer's
6 license to either be suspended or revoked. A hold order may be
7 released prior to the expiration of any thirty-day holding period by
8 written release from the agency placing the initial hold order.

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

1 written notice to the Administrator at least thirty (30) days prior
2 to terminating a lease or rental agreement for an additional storage
3 location.

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

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