

1 ENGROSSED SENATE
2 BILL NO. 1961

By: Sykes of the Senate

3 and

4 Terrill of the House

5
6
7 [controlled dangerous substances - Drug Money

8 Laundering and Wire Transmitter Act - codification

9 - effective date -

10 emergency]

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

13 SECTION 1. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 2-503.1a of Title 63, unless
15 there is created a duplication in numbering, reads as follows:

16 Sections 2 through 9 of this act shall be known and may be cited
17 as the "Drug Money Laundering and Wire Transmitter Act".

18 SECTION 2. AMENDATORY Section 3, Chapter 57, O.S.L. 2006
19 (6 O.S. Supp. 2007, Section 1513), is amended to read as follows:

20 Section 1513. A. ~~Ne~~ It is unlawful and punishable as provided
21 in subsection D of this section for any person shall to engage in
22 ~~the~~ any money services business ~~in~~ within this state without first
23 ~~filing~~ obtaining a license from the Oklahoma State Banking
24 Commissioner for such operation. Any person desiring to operate a

1 money services business, as such term is defined in the Oklahoma
2 Financial Transaction Reporting Act, shall first file a registration
3 application on a form prescribed by the Commissioner and securing,
4 pay the required fees, obtain a criminal financial records check,
5 and thereafter such business may be approved and issued a license to
6 do so from the Commissioner operate such business.

7 B. ~~Upon~~ On and after the effective date of this act, ~~a supplier~~
8 any person who sells, gives, transfers, trades, supplies, or
9 provides any money transmitter equipment, as such term is defined by
10 the Oklahoma Financial Transactions Act, to any person who is not
11 licensed to operate a money services business shall, in addition to
12 all administrative penalties, be guilty of a violation of Section 4
13 of this act. Any person who facilitates the use or access to any
14 money transmitter equipment in any manner not authorized by law
15 shall be guilty of a violation of Section 4 of this act. Every
16 person providing money transmitter equipment to any person shall be
17 required to provide to the Commissioner, on a form prescribed by the
18 Commissioner, a list of a report of the transaction and such
19 information as the Commissioner may require on each person to whom
20 money transmitter equipment has been provided. The list shall be
21 updated each calendar quarter and The report shall be provided to
22 the Commissioner within thirty (30) days after the close of the each
23 calendar quarter. The updated list shall reflect any additional
24 persons to whom money transmitter equipment has been provided since

1 ~~the last reporting period. The list need only identify those~~
2 ~~persons for whom the supplier has an~~ The information in the report
3 may be limited, at the discretion of the Commissioner, to only those
4 persons who have an address in this state or who the supplier
5 reasonably believes to be operating ~~in~~ within this state.

6 C. Unless a different fee is otherwise promulgated by the
7 Board, each registration application filed under this section must
8 be accompanied by a fee in an amount equal to that required under
9 subsection B of Section 104 of ~~Title 6 of the Oklahoma Statutes~~ this
10 title. Any person conducting a money services business at more than
11 one location shall secure a separate license for each location.

12 D. Any person who violates the provisions of this section
13 shall, upon conviction, be guilty of a misdemeanor punishable by a
14 ~~fine of not less than One Thousand Dollars (\$1,000.00)~~ not exceeding
15 Five Thousand Dollars (\$5,000.00), or by imprisonment in the county
16 jail for not more than one (1) year, or by both such fine and
17 imprisonment. Each day that any violation of this section occurs or
18 continues shall constitute a separate offense and shall be
19 punishable as a separate violation.

20 E. All registration application fees ~~and fines~~ collected under
21 this section shall be deposited in the Oklahoma State Banking
22 Department revolving fund pursuant to Section 211.1 of ~~Title 6 of~~
23 ~~the Oklahoma Statutes~~ this title.

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1 SECTION 3. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 2-503.1b of Title 63, unless
3 there is created a duplication in numbering, reads as follows:

4 A. The Oklahoma State Bureau of Narcotics and Dangerous Drugs
5 Control shall have authority to access, review and investigate any
6 registration application and supplier reports submitted to the
7 Oklahoma State Banking Commissioner pursuant to Section 1513 of
8 Title 6 of the Oklahoma Statutes, and any paper or electronic
9 documents generated or received through money transmitter
10 transactions in this state, for purposes of identifying or
11 investigating suspicious or illegal activities or to track illegal
12 drug-related monies. A copy of all money services transaction
13 reports provided to the Oklahoma State Banking Commissioner shall be
14 provided to the Bureau.

15 B. The Oklahoma State Bureau of Narcotics and Dangerous Drugs
16 Control shall conduct a criminal financial check on all registration
17 applications submitted pursuant to the provisions of Section 1513 of
18 Title 6 of the Oklahoma Statutes. The applicant for a money
19 services business license shall pay a fee of Fifty Dollars (\$50.00)
20 to the Bureau for the criminal financial check prior to licensing.
21 This shall be in addition to all other administrative fees imposed
22 by the Oklahoma Banking Commission.

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1 SECTION 4. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 2-503.1c of Title 63, unless
3 there is created a duplication in numbering, reads as follows:

4 A. No person shall sell, give, transfer, trade, supply, or
5 provide any money transmitter equipment, as defined by the Oklahoma
6 Financial Transaction Reporting Act, to any person not licensed by
7 the Oklahoma State Banking Commissioner. Any person violating the
8 provisions of this section shall be guilty of a misdemeanor, upon
9 conviction, for a first offense, and a felony, upon conviction, of
10 any second or subsequent offense. The misdemeanor penalty shall be
11 a fine not exceeding Three Thousand Dollars (\$3,000.00), or
12 imprisonment in the county jail up to one (1) year, or both such
13 fine and imprisonment. The felony penalty shall be imprisonment in
14 the custody of the Department of Corrections for five (5) years, or
15 a fine not exceeding Five Thousand Dollars (\$5,000.00), or both such
16 fine and imprisonment.

17 B. Any person who encourages, facilitates, or allows access to
18 any money transmitter equipment in any manner to facilitate any
19 violation of Section 2-503.1 of Title 63 of the Oklahoma Statutes
20 shall be guilty of a felony, upon conviction, punishable as provided
21 in Section 2-503.1 of Title 63 of the Oklahoma Statutes.

22 SECTION 5. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 2-503.1d of Title 63, unless
24 there is created a duplication in numbering, reads as follows:

1 A. Any person who knowingly or intentionally uses a money
2 services business, as defined by the Oklahoma Financial Transaction
3 Reporting Act, or an electronic funds transfer network for any
4 purpose in violation of Section 2-503.1 of Title 63 of the Oklahoma
5 Statutes, or with intent to facilitate any violation of the Uniform
6 Controlled Dangerous Substances Act or any statute of the United
7 States relating to controlled substances, or to commit any other
8 crime shall be guilty of a felony, upon conviction, punishable by
9 imprisonment in the custody of the Department of Corrections for a
10 term not more than ten (10) years, or by a fine not exceeding Fifty
11 Thousand Dollars (\$50,000.00), or an amount equal to twice the
12 dollar amount of each transaction, whichever is greater, or by both
13 such fine and imprisonment.

14 B. Any person who, by or through a money services business, as
15 defined in the Oklahoma Financial Transactions Reporting Act, or an
16 electronic funds transfer network, knowingly transmits, exchanges,
17 or processes any securities or negotiable instruments for any
18 purpose in violation of Section 2-503.1 of Title 63 of the Oklahoma
19 Statutes shall be guilty of a felony, upon conviction, punishable by
20 imprisonment in the custody of the Department of Corrections for a
21 term not more than ten (10) years, or by a fine not exceeding Fifty
22 Thousand Dollars (\$50,000.00), or an amount equal to twice the
23 dollar amount of each transaction, whichever is greater, or by both
24 such fine and imprisonment.

1 SECTION 6. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 2-503.1e of Title 63, unless
3 there is created a duplication in numbering, reads as follows:

4 It shall be unlawful for any person to intentionally transport,
5 remove, or receive into this state any proceeds, funds or assets
6 known to be connected to, or traceable to, or intended to be used
7 in, or derived or received from, or expended to further or
8 facilitate any violation of the Uniform Controlled Dangerous
9 Substances Act, any statute of the United States relating to
10 controlled substances, or any violation of Section 2-503.1 of Title
11 63 of the Oklahoma Statutes. Upon conviction of a violation of this
12 section, the violator shall be guilty of a felony punishable by
13 imprisonment in the custody of the Department of Corrections for a
14 term of not more than ten (10) years, or by a fine of not more than
15 Fifty Thousand Dollars (\$50,000.00), or an amount equal to twice the
16 dollar amount of each transaction, whichever is greater, or by both
17 such fine and imprisonment.

18 SECTION 7. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 2-503.1f of Title 63, unless
20 there is created a duplication in numbering, reads as follows:

21 A. No person shall, for the purpose of evading the report
22 requirements set forth in 31 U.S.C., Section 5311, 31 C.F.R., Part
23 103, and any other state and federal laws pertaining to money
24 laundering:

1 1. Cause or attempt to cause the failure to file a report
2 required under any state or federal monetary reporting requirements
3 under law; or

4 2. Cause or attempt to cause the failure to file a report
5 required under any state or federal monetary reporting requirements
6 under law that contains a material omission or misstatement of fact.

7 B. Upon conviction of a violation of this section, the violator
8 shall be guilty of a felony punishable by imprisonment in the
9 custody of the Department of Corrections for a term of not more than
10 ten (10) years, or by a fine of not more than Fifty Thousand Dollars
11 (\$50,000.00), or an amount equal to twice the dollar amount of each
12 transaction, whichever is greater, or by both such fine and
13 imprisonment.

14 SECTION 8. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 2-503.1g of Title 63, unless
16 there is created a duplication in numbering, reads as follows:

17 A. It shall be unlawful for any person to structure, or assist
18 in structuring, or attempt to structure or assist in structuring any
19 transaction with one or more financial, nonfinancial trades or
20 businesses, to include any importation or exportation of monetary
21 instruments.

22 B. It shall be unlawful for any person to structure or assist
23 in structuring, or attempt to structure or assist in structuring any
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1 transaction with one or more organizations that have a state or
2 federal monetary reporting requirement.

3 C. For purposes of this section, "structuring" means a person
4 acting alone, in conjunction with others, or on behalf of others,
5 conducts or attempts to conduct, one or more transactions in
6 currency, in any amount, at one or more organizations that have a
7 state or federal monetary reporting requirement, on one or more
8 days, for the purpose of evading the reporting requirements of any
9 state or federal law requiring reporting of financial transactions.

10 D. Upon conviction of a violation of this section, the violator
11 shall be guilty of a felony punishable by imprisonment in the
12 custody of the Department of Corrections for a term of not more than
13 ten (10) years, or by a fine of not more than Fifty Thousand Dollars
14 (\$50,000.00), or an amount equal to twice the dollar amount of each
15 transaction, whichever is greater, or by both such fine and
16 imprisonment.

17 SECTION 9. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 2-503.1h of Title 63, unless
19 there is created a duplication in numbering, reads as follows:

20 The Oklahoma State Bureau of Narcotics and Dangerous Drugs
21 Control shall have authority to intercept, seize and forfeit any
22 funds or equipment in violation of any provision of the Drug Money
23 Laundering and Wire Transmitter Act or in violation of Section 2-
24 503.1 of Title 63 of the Oklahoma Statutes.

1 SECTION 10. This act shall become effective July 1, 2008.

2 SECTION 11. It being immediately necessary for the preservation
3 of the public peace, health and safety, an emergency is hereby
4 declared to exist, by reason whereof this act shall take effect and
5 be in full force from and after its passage and approval.

6 Passed the Senate the 10th day of March, 2008.

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Presiding Officer of the Senate

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10 Passed the House of Representatives the ____ day of _____,
11 2008.

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Presiding Officer of the House
of Representatives

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