

SENATE CHAMBER

STATE OF OKLAHOMA

DISPOSITION BY SENATE

FLOOR AMENDMENT

No. _____

(Date)

Mr./Madame President:

I move to amend Senate Bill No. 1961, Page 1, Line 7, by striking the title, enacting clause, and entire body of the bill and inserting the attached Floor Substitute (req.# 3651).

Submitted by:

Senator Sykes

SYKES-FA-NP-SB 1961
2/27/2008 3:16 PM

STATE OF OKLAHOMA

2nd Session of the 51st Legislature (2008)

FLOOR SUBSTITUTE
FOR
SENATE BILL NO. 1961

By: Sykes of the Senate

and

Terrill of the House

FLOOR SUBSTITUTE

[controlled dangerous substances – Drug Money Laundering and Wire
Transmitter Act - codification – effective date -

emergency]

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

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

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

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

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

Financial Transaction Reporting Act, shall first file a registration application on a form prescribed by the Commissioner and securing, pay the required fees, obtain a criminal financial records check, and thereafter such business may be approved and issued a license to do so from the Commissioner operate such business.

B. ~~Upon~~ On and after the effective date of this act, a supplier any person who sells, gives, transfers, trades, supplies, or provides any money transmitter equipment, as such term is defined by the Oklahoma Financial Transactions Act, to any person who is not licensed to operate a money services business shall, in addition to all administrative penalties, be guilty of a violation of Section 4 of this act. Any person who facilitates the use or access to any money transmitter equipment in any manner not authorized by law shall be guilty of a violation of Section 4 of this act. Every person providing money transmitter equipment to any person shall be required to provide to the Commissioner, on a form prescribed by the Commissioner, a list of a report of the transaction and such information as the Commissioner may require on each person to whom money transmitter equipment has been provided. The list shall be updated each calendar quarter and The report shall be provided to the Commissioner within thirty (30) days after the close of the each calendar quarter. The updated list shall reflect any additional persons to whom money transmitter equipment has been provided since the last reporting period. The list need only identify those persons for whom the supplier has an The information in the report may be limited, at the discretion of the Commissioner, to only those persons who have an address in this state or who the supplier reasonably believes to be operating in within this state.

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

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

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

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

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

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

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

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

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

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

A. Any person who knowingly or intentionally uses a money services business, as defined by the Oklahoma Financial Transaction Reporting Act, or an electronic funds transfer network for any purpose in violation of Section 2-503.1 of Title 63 of the Oklahoma Statutes, or with intent to facilitate any violation of the Uniform Controlled Dangerous Substances Act or any statute of the United States relating to controlled substances, or to commit any other crime shall be guilty of a felony, upon conviction, punishable by imprisonment in the custody of the Department of Corrections for a term not more than ten (10) years, or by a fine not exceeding Fifty Thousand

Dollars (\$50,000.00), or an amount equal to twice the dollar amount of each transaction, whichever is greater, or by both such fine and imprisonment.

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

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

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

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

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

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

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

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

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

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

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

C. For purposes of this section, "structuring" means a person acting alone, in conjunction with others, or on behalf of others, conducts or attempts to conduct, one or more transactions in currency, in any amount, at one or more organizations that have a state or federal monetary reporting

requirement, on one or more days, for the purpose of evading the reporting requirements of any state or federal law requiring reporting of financial transactions.

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

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

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

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

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