

SB 1961

THE STATE SENATE
Monday, February 25, 2008

Senate Bill No. 1961
As Amended

SENATE BILL NO. 1961 - By: SYKES of the Senate and TERRILL of the House.

[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 7 of this act shall be cited and may be know 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,

1 pay the required fees, obtain a criminal financial records check,
2 and thereafter such business may be approved and issued a license to
3 do so from the Commissioner operate such business. On the effective
4 date of this act, any person currently operating a money services
5 business without a license from the Oklahoma State Banking
6 Commissioner shall be required to complete the registration
7 application process and obtain a license to operate not later than
8 January 1, 2009, or be deemed in violation of the provisions of this
9 act.

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

1 be provided to the Commissioner within thirty (30) days after the
2 close of the each calendar quarter. ~~The updated list shall reflect~~
3 ~~any additional persons to whom money transmitter equipment has been~~
4 ~~provided since the last reporting period. The list need only~~
5 ~~identify those persons for whom the supplier has an~~ The information
6 in the report may be limited, at the discretion of the Commissioner,
7 to only those persons who have an address in this state or who the
8 supplier reasonably believes to be operating ~~in~~ within this state.

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

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

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

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

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

18 B. The Oklahoma State Bureau of Narcotics and Dangerous Drugs
19 Control shall conduct a criminal financial check on all registration
20 applications submitted pursuant to the provisions of Section 1513 of
21 Title 6 of the Oklahoma Statutes. The applicant for a money
22 services business license shall pay a Fifty Dollar (\$50.00) fee to
23 the Bureau for the criminal financial check prior to licensing.

1 C. The Oklahoma State Bureau of Narcotics and Dangerous Drugs
2 Control shall have authority to intercept, seize and forfeit any
3 funds or equipment in violation of any provision of the Drug Money
4 Laundering and Wire Transmitter Act or in violation of Section 2-
5 503.1 of Title 63 of the Oklahoma Statutes.

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

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

20 B. Any person who encourages, facilitates, or allows access to
21 any money transmitter equipment in any manner not authorized by law,
22 or to facilitate any violation of Section 2-503.1 of Title 63 of the
23 Oklahoma Statutes, shall be guilty of a felony, upon conviction,

1 punishable as provided in Section 2-503.1 of Title 63 of the
2 Oklahoma Statutes.

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

6 A. Except as allowed by law for state or federally regulated
7 financial or banking institutions, any person who, by or through an
8 unlicensed money services business, as defined in the Oklahoma
9 Financial Transactions Reporting Act, or an unlicensed electronic
10 funds transfer network, transmits, or attempts to transmit, Ten
11 Thousand Dollars (\$10,000.00) or more in a single transaction, or by
12 multiple transactions an aggregate amount of Ten Thousand Dollars
13 (\$10,000.00) or more in any two-day period, or who transmits, or
14 attempts to transmit, money in disregard for any federal or state
15 reporting guidelines, shall be guilty of a felony, upon conviction,
16 punishable by imprisonment in the custody of the Department of
17 Corrections for a term not more than five (5) years, or by a fine
18 not exceeding Ten Thousand Dollars (\$10,000.00), or an amount equal
19 to twice the dollar amount of each transaction, whichever is
20 greater, or by both such fine and imprisonment. Each day a
21 violation occurs may constitute a separate offense for purposes of
22 prosecution and sentencing.

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

17 B. Any person who, by or through a money services business, as
18 defined in the Oklahoma Financial Transactions Reporting Act, or an
19 electronic funds transfer network, knowingly transmits, exchanges,
20 or processes any securities or negotiable instruments in an
21 aggregate amount of Ten Thousand Dollars (\$10,000.00) or more for
22 any purpose in violation of Section 2-503.1 of Title 63 of the
23 Oklahoma Statutes, shall be guilty of a felony, upon conviction,

1 punishable by imprisonment in the custody of the Department of
2 Corrections for a term not more than ten (10) years, or by a fine
3 not exceeding Ten Thousand Dollars (\$50,000.00), or an amount equal
4 to twice the dollar amount of each transaction, whichever is
5 greater, or by both such fine and imprisonment.

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

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

23 SECTION 8. This act shall become effective July 1, 2008.

1 SECTION 9. It being immediately necessary for the preservation
2 of the public peace, health and safety, an emergency is hereby
3 declared to exist, by reason whereof this act shall take effect and
4 be in full force from and after its passage and approval.

5 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS, dated 2-20-08 - DO
6 PASS, As Amended and Coauthored.