

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 SENATE BILL 1961

By: Sykes

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5
6 AS INTRODUCED

7 An Act relating to controlled dangerous substances;
8 creating the Drug Money Laundering and Wire
9 Transmitter Act; providing short title; amending
10 Section 3, Chapter 57, O.S.L. 2006 (6 O.S. Supp.
11 2007, Section 1513), which relates to wire
12 transmitter service and equipment; criminalizing
13 certain acts; requiring certain license for certain
14 business; stating procedure for licensure; providing
15 certain period of time to secure certain license;
16 requiring certain report of certain equipment within
17 certain time; deleting language; authorizing certain
18 information to be limited by Oklahoma State Banking
19 Commissioner; increasing fine; removing certain
20 authority to deposit criminal fines; granting
21 authority to the Oklahoma State Bureau of Narcotics
22 and Dangerous Drugs Control to access and investigate
23 certain applications, reports, and transactions for
24 certain purpose; requiring copy of certain reports be
provided to Bureau; directing Bureau to conduct
criminal financial records checks on registration
applicants for certain fee; directing applicant to
pay fee; authorizing interception, seizure and
forfeiture of certain funds and equipment;
prohibiting certain sale of equipment to certain
persons; setting misdemeanor and felony penalties;
prohibiting certain access to money transmitter
equipment; setting penalty; prohibiting transfer of
money over certain dollar amount; stating penalty;
construing authority for separate offenses;
prohibiting use of electronic funds transfer for
money laundering or criminal activity; providing
penalty; prohibiting processing of negotiable
instruments of certain amount for certain purpose;
stating penalty; prohibiting removal of drug money
from state; stating penalty; providing for

1 codification; providing an effective date; and
2 declaring an emergency.

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

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

8 Sections 2 through 7 of this act shall be cited and may be know
9 as the "Drug Money Laundering and Wire Transmitter Act".

10 SECTION 2. AMENDATORY Section 3, Chapter 57, O.S.L. 2006
11 (6 O.S. Supp. 2007, Section 1513), is amended to read as follows:

12 Section 1513. A. ~~No~~ It is unlawful and punishable as provided
13 in subsection D of this section for any person shall to engage in
14 the any money services business in within this state without first
15 filing obtaining a license from the Oklahoma State Banking
16 Commissioner for such operation. Any person desiring to operate a
17 money services business, as such term is defined in the Oklahoma
18 Financial Transaction Reporting Act, shall first file a registration
19 application on a form prescribed by the Commissioner and securing,
20 pay the required fees, obtain a criminal financial records check,
21 and thereafter such business may be approved and issued a license to
22 do so from the Commissioner operate such business. On the effective
23 date of this act, any person currently operating a money services
24 business without a license from the Oklahoma State Banking

1 Commissioner shall be required to complete the registration
2 application process and obtain a license to operate not later than
3 January 1, 2009, or be deemed in violation of the provisions of this
4 act.

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

1 to only those persons who have an address in this state or who the
2 supplier reasonably believes to be operating in within this state.

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

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

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

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

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

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

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

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

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

12 B. Any person who encourages, facilitates, or allows access to
13 any money transmitter equipment in any manner not authorized by law,
14 or to facilitate any violation of Section 2-503.1 of Title 63 of the
15 Oklahoma Statutes, shall be guilty of a felony, upon conviction,
16 punishable as provided in Section 2-503.1 of Title 63 of the
17 Oklahoma Statutes.

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

21 A. Except as allowed by law for state or federally regulated
22 financial or banking institutions, any person who, by or through an
23 unlicensed money services business, as defined in the Oklahoma
24 Financial Transactions Reporting Act, or an unlicensed electronic

1 funds transfer network, transmits, or attempts to transmit, Ten
2 Thousand Dollars (\$10,000.00) or more in a single transaction, or by
3 multiple transactions an aggregate amount of Ten Thousand Dollars
4 (\$10,000.00) or more in any two-day period, or who transmits, or
5 attempts to transmit, money in disregard for any federal or state
6 reporting guidelines, shall be guilty of a felony, upon conviction,
7 punishable by imprisonment in the custody of the Department of
8 Corrections for a term not more than five (5) years, or by a fine
9 not exceeding Ten Thousand Dollars (\$10,000.00), or an amount equal
10 to twice the dollar amount of each transaction, whichever is
11 greater, or by both such fine and imprisonment. Each day a
12 violation occurs may constitute a separate offense for purposes of
13 prosecution and sentencing.

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

17 A. Any person who knowingly or intentionally uses a money
18 services business, as defined by the Oklahoma Financial Transaction
19 Reporting Act, or an electronic funds transfer network, for any
20 purpose in violation of Section 2-503.1 of Title 63 of the Oklahoma
21 Statutes, or with intent to facilitate any violation of the Uniform
22 Controlled Dangerous Substances Act or any statute of the United
23 States relating to controlled substances, or to commit any other
24 crime, shall be guilty of a felony, upon conviction, punishable by

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

6 B. Any person who, by or through a money services business, as
7 defined in the Oklahoma Financial Transactions Reporting Act, or an
8 electronic funds transfer network, knowingly transmits, exchanges,
9 or processes any securities or negotiable instruments in an
10 aggregate amount of Ten Thousand Dollars (\$10,000.00) or more for
11 any purpose in violation of Section 2-503.1 of Title 63 of the
12 Oklahoma Statutes, shall be guilty of a felony, upon conviction,
13 punishable by imprisonment in the custody of the Department of
14 Corrections for a term not more than ten (10) years, or by a fine
15 not exceeding Ten Thousand Dollars (\$50,000.00), or an amount equal
16 to twice the dollar amount of each transaction, whichever is
17 greater, or by both 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 It shall be unlawful for any person to intentionally remove from
22 this state, or receive into this state, any proceeds, funds or
23 assets known to be connect to, or traceable to, or intended to be
24 used in, or derived or received from, or expended to further or

1 facilitate, any violation of the Uniform Controlled Dangerous
2 Substances Act, any statute of the United States relating to
3 controlled substances, or any violation of Section 2-503.1 of Title
4 63 of the Oklahoma Statutes. Upon conviction of a violation of this
5 section, the violator shall be guilty of a felony punishable by
6 imprisonment in the custody of the Department of Corrections for
7 term of more than ten (10) years, or by a fine of not more than
8 Fifty Thousand Dollars (\$50,000.00), or an amount equal to twice the
9 dollar amount of each transaction, whichever is greater, or by both
10 such fine and imprisonment.

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

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

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