

1 ENGROSSED SENATE  
2 BILL NO. 1106

By: Ballenger, Garrison and  
Brinkley of the Senate

3 and

4 Nelson of the House  
5  
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7 An Act relating to the Precious Metal and Gem Dealer  
8 Licensing Act; amending 59 O.S. 2011, Section 1531,  
9 which relates to time period for keeping certain  
10 goods; increasing certain time period to keep certain  
11 goods; providing procedure for written hold order by  
12 law enforcement; stating term and requirements for  
13 written hold orders; allowing extension of hold  
14 orders; providing for release of goods to law  
15 enforcement; construing effect of release under hold  
16 order; providing for certain notification for  
17 criminal proceeding; requiring hold of goods until  
18 case disposition or hold order expiration;  
19 authorizing release of hold order by law enforcement;  
20 making out-of-state dealers subject to jurisdiction  
21 and certain requirements; requiring compliance with  
22 holding period and notification of certain  
23 transactions of certain value; directing the  
24 Administrator of the Department of Consumer Credit to  
make certain information available to law enforcement  
for certain purpose; providing for unfair trade  
practices and criminal investigation of certain  
dealers; and providing an effective date.

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

SECTION 1. AMENDATORY 59 O.S. 2011, Section 1531, is  
amended to read as follows:

Section 1531. A. Every dealer must keep at the business  
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 at reasonable times for a  
3 period of ~~ten (10)~~ twenty-one (21) days or until the articles have  
4 been released by written authorization of any law enforcement  
5 officer authorized by the law enforcement agency or its designee,  
6 except as provided for in subsection C of Section ~~5~~ 1525 of this ~~act~~  
7 title. During this period, the appearance of such articles shall  
8 not be altered in any way. A dealer is not prohibited from selling  
9 or arranging to sell such articles during the ~~ten-day~~ twenty-one-day  
10 period as long as such articles remain in his or her possession as  
11 required by this section.

12 B. A dealer may also designate an additional location for  
13 storage of items required to be held under the provisions of ~~this~~  
14 ~~act~~ the Precious Metal and Gem Dealer Licensing Act. This location  
15 shall be either a vault or a bank. The address of the designated  
16 additional location shall be filed with the Administrator. The  
17 Administrator of Consumer Affairs shall release the designated  
18 location only to law enforcement agencies. The designated  
19 additional location shall be available for inspection by any law  
20 enforcement officer of this state authorized by the law enforcement  
21 agency to inspect the same.

22 C. Whenever a peace officer has probable cause to believe that  
23 property in possession of a licensed precious metal and gem dealer  
24 is stolen or embezzled, the peace officer of the local law

1 enforcement agency of the municipality or other political  
2 subdivision in which the business is located may place a written  
3 hold order on the property. The initial term of the written hold  
4 order shall not exceed thirty (30) days. However, the holding  
5 period may be extended in successive thirty-day increments upon  
6 written notification prior to the expiration of the initial holding  
7 period. If the holding period has expired and has not been  
8 extended, the hold order shall be considered expired and no longer  
9 in effect, and title shall vest in the dealer subject to any  
10 restrictions contained in the acquisition contract. The initial  
11 written hold order shall contain the following information:

12 1. Signature of the precious metal and gem dealer or designee;

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

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

17 4. Complete description of the property to be held, including  
18 model number, serial number and physical description or photograph;

19 5. Name of agency reporting the property to be stolen or  
20 embezzled;

21 6. Mailing address of the licensed business where the property  
22 is held; and

23 7. Expiration date of the holding period.

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1        D. While a hold order is in effect, the precious metal and gem  
2 dealer may consent to release, upon written receipt, the stolen or  
3 embezzled property to the custody of the local law enforcement  
4 agency to which the peace officer placing the hold order is  
5 attached. The consent to release the stolen or embezzled property  
6 to the custody of law enforcement is not a waiver or release of the  
7 dealer's property rights or interest in the property. Otherwise,  
8 the dealer shall not release or dispose of the property except  
9 pursuant to a court order or the expiration of the holding period  
10 including all extensions. The district attorney's office shall  
11 notify the dealer in writing in cases where criminal charges have  
12 been filed that the property may be needed as evidence. The notice  
13 shall contain the case number, the style of the case, and a  
14 description of the property. The dealer shall hold such property  
15 until receiving notice of the disposition of the case from the  
16 district attorney's office. The district attorney's office shall  
17 notify the dealer in writing within fifteen (15) days of the  
18 disposition of the case. Willful noncompliance of a precious metal  
19 and gem dealer to a written hold order shall be cause for the  
20 dealer's license to either be suspended or revoked. A hold order  
21 may be released prior to the expiration of any thirty-day holding  
22 period by written release from the agency placing the initial hold  
23 order.

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1       E. 1. Every out-of-state precious metal or gem dealer,  
2 business or exchange who conducts business in this state in any  
3 manner including, but not limited to, soliciting, advertising or  
4 receiving any used articles from persons in this state which  
5 articles are made, in whole or part, of precious metal or gems as  
6 defined in Section 1522 of this title, and having a total value per  
7 transaction of One Hundred Dollars (\$100.00) or more, shall be  
8 deemed to have voluntarily submitted to the jurisdiction of this  
9 state regarding precious metal or gem dealers requirements, and  
10 shall be required to:

11           a. register the business name, address and principal  
12           owner or manager with the Department of Consumer  
13           Credit,

14           b. comply with the laws of this state for precious metal  
15           or gem dealers including the hold period specified in  
16           subsection A of this section for all used articles  
17           made, in whole or part, of precious metals or gems,  
18           and

19           c. provide a detailed description and photograph to the  
20           Administrator of the Department of Consumer Credit in  
21           this state of all articles involved in each  
22           transaction conducted with a person in this state if  
23           the total value of the transaction is One Hundred  
24           Dollars (\$100.00) or more.

1        2. The Department of Consumer Credit shall make available all  
2 descriptions and photographs received from out-of-state precious  
3 metal or gem transactions to local law enforcement and the Oklahoma  
4 State Bureau of Investigation for comparison against stolen property  
5 reports.

6        3. Failure of any out-of-state precious metal or gem dealer,  
7 business or exchange to comply with the provisions of this section  
8 shall be deemed a license violation, and an unfair trade practice  
9 which shall be subject to investigation and prosecution in addition  
10 to any criminal investigation and prosecution relating to stolen or  
11 embezzled property.

12        SECTION 2. This act shall become effective November 1, 2012.

13        Passed the Senate the 15th day of March, 2012.

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Presiding Officer of the Senate

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17        Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,

18 2012.

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Presiding Officer of the House  
of Representatives

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