

1 SECTION 1. AMENDATORY 59 O.S. 2011, Section 1524, is
2 amended to read as follows:

3 Section 1524. A. An application for a license pursuant to the
4 provisions of the Precious Metal and Gem Dealer Licensing Act shall
5 be under oath and state:

6 1. If the applicant is an individual, the full name and place
7 of residence of the applicant;

8 2. If the applicant is a partnership, the full name and place
9 of residence of each member of the partnership; and

10 3. If the applicant is a corporation, the full name and place
11 of residence of each officer or major stockholder of the
12 corporation.

13 B. The application shall state the location where the business
14 is to be conducted and contain such additional relevant information
15 as the Administrator may require. The Administrator shall require
16 documentation to verify the location where the business is to be
17 conducted or will be utilized by the applicant, including, but not
18 limited to, a deed, bill of sale, lease, or rental agreement. The
19 Administrator shall also require the name, contact person and
20 telephone number of the business location if the applicant is not
21 the owner of the business location.

22 C. In addition to the application provided for in subsection A
23 of this section, every applicant shall file with the Administrator a
24 bond satisfactory to said Administrator and in the amount of Ten

1 Thousand Dollars (\$10,000.00) for each license sought, with a surety
2 company qualified to do business in this state as surety. The bond
3 shall be furnished to the state for the use of the state and of any
4 person or persons who may have a cause of action against the obligor
5 of the bond pursuant to the provisions of the Precious Metal and Gem
6 Dealer Licensing Act. The bond shall be conditional that the obligor
7 will comply with the provisions of the Precious Metal and Gem Dealer
8 Licensing Act and all rules and regulations made pursuant to the
9 Precious Metal and Gem Dealer Licensing Act, and will pay all
10 amounts of money that may be due to the state or any individual from
11 the obligor during the time such bond is in effect.

12 D. Each applicant shall submit a full set of fingerprints and a
13 photograph with each application for an original license. The
14 fingerprints may be used for a national criminal history record
15 check as defined in Section 150.9 of Title 74 of the Oklahoma
16 Statutes.

17 E. Each licensee shall maintain on file with the Administrator
18 a written appointment of a resident of this state as his or her
19 agent for service of all judicial or other process or legal notice,
20 unless the licensee has appointed such an agent pursuant to the
21 provisions of another statute of this state.

22 SECTION 2. AMENDATORY 59 O.S. 2011, Section 1528, is
23 amended to read as follows:

24

1 Section 1528. A. The Administrator shall appoint an
2 independent hearing examiner to conduct all administrative hearings
3 involving alleged violations of the Precious Metal and Gem Dealer
4 Licensing Act. The independent hearing examiner shall have
5 authority to exercise all powers granted by Article II of the
6 Administrative Procedures Act in conducting hearings. The
7 independent hearing examiner shall have authority to recommend
8 penalties authorized by the Precious Metal and Gem Dealer Licensing
9 Act and issue proposed orders, with proposed findings of fact and
10 proposed conclusions of law, to the Administrator pursuant to
11 Article II of the Administrative Procedures Act. The Administrator
12 shall review the proposed order and issue a final agency order in
13 accordance with Article II of the Administrative Procedures Act. A
14 ~~final agency order issued by the Administrator shall be appealable~~
15 ~~by all parties to the district court as provided in Article II of~~
16 ~~the Administrative Procedures Act~~ Any person aggrieved by a final
17 agency order of the Administrator may obtain judicial review in
18 accordance with the Oklahoma Administrative Procedures Act. The
19 jurisdiction and venue of any such action shall be in the district
20 court of Oklahoma County.

21 The costs of the hearing examiner may be assessed ~~by the hearing~~
22 ~~examiner~~ against the respondent, unless the respondent is the
23 prevailing party.

24

1 B. The Administrator may, after notice and hearing, deny,
2 decline to renew a license, suspend or revoke any license ~~or~~, order
3 a cease and desist order, impose an administrative fine in an amount
4 not to exceed Five Thousand Dollars (\$5,000.00) or impose a
5 combination of such penalties if it is found that:

6 1. The applicant has been convicted of a felony or crime
7 involving fraud, theft, receiving or possession of stolen property
8 in the five (5) years preceding the submission of the application;

9 2. The licensee has failed to pay any fee or charge properly
10 imposed by the Administrator under the authority of the Precious
11 Metal and Gem Dealer Licensing Act;

12 3. The licensee or any entity or individual subject to the
13 Precious Metal and Gem Dealer Licensing Act has violated any
14 provision of the Precious Metal and Gem Dealer Licensing Act or any
15 rule promulgated or order made pursuant to and within the authority
16 of the Precious Metal and Gem Dealer Licensing Act; or

17 4. Any fact or condition exists which, if it had existed or had
18 been known to exist at the time of the original application for a
19 license, clearly would have justified the Administrator in refusing
20 the license.

21 C. Any licensee may surrender any license by delivering it to
22 the Administrator with written notice of its surrender. Such
23 surrender shall not affect the ~~civil~~ administrative penalty or
24

1 criminal liability of the licensee for acts committed prior to the
2 surrender of the license.

3 D. No revocation, suspension or surrender of any license shall
4 impair or affect the obligation of any preexisting lawful contract
5 between the licensee and any customer.

6 E. The Commission on Consumer Credit shall prescribe by rule a
7 an inspection fee, fee for each license change, duplicate license,
8 or returned check. The inspection fee shall be the same amount as
9 the examination fee for pawnbrokers and shall be payable at the time
10 of license application or license renewal.

11 F. Any entity or individual offering to engage or engaged as a
12 precious metal and gem dealer in this state without a license shall
13 be subject to ~~a civil penalty~~ an administrative fine in an amount
14 not to exceed Five Thousand Dollars (\$5,000.00).

15 G. The Administrator may impose ~~a civil penalty~~ an
16 administrative fine as prescribed in ~~subsection~~ subsections B and F
17 of this section, after notice and hearing in accordance with Article
18 II of the Administrative Procedures Act.

19 H. Any administrative order or settlement agreement imposing a
20 ~~civil penalty~~ an administrative fine pursuant to this section may be
21 enforced in the same manner as civil judgments in this state. The
22 Administrator may file an application to enforce an administrative
23 order or settlement agreement ~~imposing a civil penalty~~ in the
24 district court of Oklahoma County.

1 SECTION 3. AMENDATORY 59 O.S. 2011, Section 1530, is
2 amended to read as follows:

3 Section 1530. A. Every dealer shall keep a ~~permanently bound~~
4 ~~book, not loose-leaf, with pages numbered in sequence, in which~~
5 ~~there shall be legibly written at the time~~ record of any transaction
6 with any person involving the purchasing of any used item made, or
7 containing in whole or in part, any precious metal, or gem, the
8 following information:

9 1. An account and description of the item purchased, including,
10 if applicable, the manufacturer's name, the model, the model number,
11 the serial number and any engraved marking;

12 2. The amount of money involved in the transaction;

13 3. The date;

14 4. The name, address and driver's license number of the person
15 involved in the transaction with the dealer; if the person has no
16 driver's license, then the date of birth and general physical
17 description, including hair color and approximate height and weight
18 of that person; and

19 5. The signature of the seller.

20 B. The ~~book~~ record required by this section shall be a
21 ~~permanent record to be kept available for inspection at all times on~~
22 ~~the premises of the business of the licensed dealer~~ for a period of
23 four (4) years. Such ~~book~~ record shall be made available during
24 regular business hours for inspection by the Department of Consumer

1 Credit and any law enforcement officer authorized by a law
2 enforcement agency to inspect such ~~book~~ record. ~~Every entry in such~~
3 ~~book shall be made in ink and shall not in any manner be obliterated~~
4 ~~or erased.~~

5 C. No dealer shall be required to furnish the description of
6 any new property purchased from manufacturers or wholesale dealers
7 at an established place of business or of any goods purchased from
8 any bankrupt stock. Such goods shall be accompanied by a bill of
9 sale or other evidence of open and legitimate purchase. The bill of
10 sale shall also be available for inspection during regular business
11 hours.

12 D. No dealer shall be required to furnish a description of
13 property purchased from another licensed dealer or to meet the
14 holding period provided for in Section ~~44~~ 1531 of this ~~act~~ title if
15 that dealer has met the requirements provided for in subsection A of
16 this section and Section ~~44~~ 1531 of this ~~act~~ title upon the initial
17 purchase of the property, provided, that each shall record the
18 license number of the other dealer and the amount of the
19 transaction.

20 SECTION 4. AMENDATORY 59 O.S. 2011, Section 1531, is
21 amended to read as follows:

22 Section 1531. A. Every dealer must keep at the business
23 location designated in the license application, all used articles
24 made, in whole or in part, of precious metals or gems, for

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

11 B. A Upon approval of the Administrator, a dealer may also
12 designate an additional location for storage of items required to be
13 held under the provisions of ~~this act~~ the Precious Metal and Gem
14 Dealer Industry Act. This location shall be either a vault or a
15 bank. The address of the designated additional location shall be
16 filed with the Administrator. The Administrator shall require
17 documentation to verify that the additional storage location will be
18 utilized by the dealer, including, but not limited to, a lease or
19 rental agreement between the dealer and the owner of the additional
20 storage location. The Administrator shall also require the name,
21 contact person and telephone number of the additional storage
22 location. The Administrator shall release the designated location
23 only to law enforcement agencies. The designated additional
24 location shall be available for inspection by the Department of

1 Consumer Credit or any law enforcement officer of this state
2 authorized by the law enforcement agency to inspect the same. A
3 dealer shall provide written notice to the Administrator at least
4 thirty (30) days prior to terminating a lease or rental agreement
5 for an additional storage location.

6 SECTION 5. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 1533 of Title 59, unless there
8 is created a duplication in numbering, reads as follows:

9 Any advertisement in which a dealer offers to engage as a
10 precious metal and gem dealer in the State of Oklahoma shall include
11 the precious metal and gem dealer license number of the dealer that
12 is issued by the Administrator for the business location at which
13 the dealer is offering to engage as a precious metal and gem dealer.

14 SECTION 6. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 1534 of Title 59, unless there
16 is created a duplication in numbering, reads as follows:

17 The Administrator, upon approval by the Commission on Consumer
18 Credit, may promulgate administrative rules to implement the
19 provisions of the Precious Metal and Gem Dealer Licensing Act.

20 SECTION 7. This act shall become effective November 1, 2013.

21

22 COMMITTEE REPORT BY: COMMITTEE ON ECONOMIC DEVELOPMENT AND FINANCIAL
23 SERVICES, dated 04/04/2013 - DO PASS.

24

25