Chapter 37A – Precious Metal and Gem Dealer Licensing Act
Section 1521 - Short Title

This act shall be known and may be cited as the "Precious Metal and Gem Dealer Licensing Act".

Historical Data
Laws 1981, c. 213, § 1, operative July 1, 1981.

Section 1522 – Definitions

As used in this act:

1. "Administrator" means the Administrator of the Department of Consumer Credit;

2. "Dealer" means any person, partnership, sole proprietorship, corporation or association which, in the regular course of business, takes, receives, pays for or transfers used precious metals or gems excluding any supervised financial institution as defined by the Consumer Credit Code, pawnbrokers licensed pursuant to Section 1501 et seq. of this title, and jewelers whose principal business is the sale of items purchased directly from the original manufacturer, wholesaler or their authorized representative and who in the regular course of such business, accept trade-in of items defined in this act as precious metals or gems, so long as the item or items to be traded are not greater in value than the item or items to be purchased. For purposes of this exception, retail jewelers may not buy used precious metals or gems for cash consideration only;

3. "Employee" means any person working for a dealer, whether or not the person is in the direct employment of the dealer or works full time or part time, who handles used precious metals or gems for the dealer. Employee shall not mean a person employed by a bank, armored car company or other business entity acting in the sole capacity of bailee-for-hire relationship with a dealer;

4. "Gem" means any precious or semiprecious stone or item containing a precious or semiprecious stone customarily used in jewelry or ornamentation;

5. "Precious metal" means platinum, gold or silver, but shall not mean any ingot or bar manufactured by a commercial mint nor shall it mean any or all coins; and

6. "Used" means previously sold or traded.

Historical Data

Section 1523 - License Required

No person, unless exempt by this act, shall operate as a dealer or employee as defined in this act without first obtaining a license from the Administrator specifically authorizing the person to act in such capacity.
Section 1524 - Application for License - Bond - Fingerprints and Photograph - Agent for Service of Process

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

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

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

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

B. The application shall state the location where the business is to be conducted and contain such additional relevant information as the Administrator may require.

C. In addition to the application provided for in subsection A of this section, every applicant shall file with the Administrator a bond satisfactory to said Administrator and in the amount of Ten Thousand Dollars ($10,000.00) for each license sought, with a surety company qualified to do business in this state as surety. The bond shall be furnished to the state for the use of the state and of any person or persons who may have a cause of action against the obligor of the bond pursuant to the provisions of the Precious Metal and Gem Dealer Licensing Act. The bond shall be conditional that the obligor will comply with the provisions of the Precious Metal and Gem Dealer Licensing Act and all rules and regulations made pursuant to the Precious Metal and Gem Dealer Licensing Act, and will pay all amounts of money that may be due to the state or any individual from the obligor during the time such bond is in effect.

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

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

Section 1525 - Fees - Investigations - Grant or Denial of License – Exemptions

A. Upon the filing of an application, bond and the payment of an annual license fee of Two Hundred Dollars ($200.00) and a one-time investigation fee of Two Hundred Twenty-five Dollars ($225.00) by a dealer, the Administrator shall conduct an investigation of the applicant prior to issuance of a dealer license.
B. Upon the filing of an application, and payment of the fee as provided for in subsection A of Section 1526 of this title, and payment of a one-hundred-dollar fee by an employee of a licensed dealer, the Administrator shall conduct an investigation of the applicant prior to issuance of an employee license.

C. Upon renewal of a license for either a dealer or an employee, the Administrator may conduct an investigation at his discretion or at the request of a district attorney for any county in which the applicant has a permanent place of business.

D. If the Administrator finds that the financial responsibility, experience and character of the dealer are such as to warrant belief that the business will be operated lawfully and fairly, within the purposes of this act, the dealer shall be issued a license. Any person engaged as a dealer or employee on the operative date of this act shall have thirty (30) days from the operative date of this act to apply for a license.

E. A separate license shall be required for each location, place or premises used by a dealer for the conducting of business pursuant to the provisions of this act and each license shall designate the location, place, or premises to which it applies. The business of the dealer shall not be conducted in any place other than that designated by the license. The license shall not be transferable.

F. If the Administrator does not find facts sufficient to warrant issuance of a license, he shall notify the applicant. If within thirty (30) days of such notification the applicant requests a hearing on the application, a hearing shall be held within sixty (60) days after the day of the request. In the event of the denial of a license, the investigation fee shall be retained by the Administrator, but the annual license fee shall be returned to the applicant.

G. The Administrator shall grant or deny an application for license within sixty (60) days from the day of filing or from the last day of a hearing as provided in subsection F of this section, unless the period is extended by written agreement between the applicant and the Administrator.

H. The Administrator may issue more than one license to any one person upon compliance with the provisions of this act as to each license. When a dealer wishes to move his business to another location, he shall give thirty (30) days’ written notice to the Administrator, who shall amend the license accordingly.

I. Licensed pawnbrokers shall not be subject to any of the fees provided for in this section.

J. Of the license fee provided for in subsection A of this section, Fifty Dollars ($50.00) shall be deposited in the General Revenue Fund of the State Treasury and One Hundred Fifty Dollars ($150.00) shall be deposited in the Consumer Credit Administrative Expenses Revolving Fund created in Section 1 of this act.

K. Of the one-time inspection fee provided for in subsection A of this section, Fifty Dollars ($50.00) shall be deposited in the General Revenue Fund of the State Treasury and One Hundred Seventy-five Dollars ($175.00) shall be deposited in the Consumer Credit Administrative Expenses Revolving Fund created in Section 1 of this act.

L. Of the fee required of employees as provided for in subsection B of this section, Twenty-five Dollars ($25.00) shall be deposited in the General Revenue Fund of the State Treasury and Seventy-five Dollars ($75.00) shall be deposited in the Consumer Credit Administrative Expenses Revolving Fund created in Section 1 of this act.

**Historical Data**

Added by Laws 1981, HB 1305, c. 213, § 5, emerg. eff. July 1, 1981; Amended by Laws 1982, HB 1486, c. 72, § 2; Amended by Laws 2009, HB 1265, c. 431, § 5, emerg. eff. July 1, 2009

**Section 1526 - Annual License Renewal Fee**
A. Each year, every dealer, on or before each December 1, shall pay the Administrator Two Hundred Dollars ($200.00) for each license held by him as the annual fee for the succeeding calendar year. If not renewed, expiration shall occur on December 31 of the year in which the annual fee has been paid.

B. Each year, every employee, on or before December 1, shall pay the Administrator One Hundred Dollars ($100.00) for the license held by him as the annual fee for the succeeding calendar year. If not renewed, expiration shall occur on December 31 of the year in which the annual fee has been paid.

C. There shall be a fee of Fifty Dollars ($50.00) for a late application for renewal of a license received after December 1, which will be placed in the Consumer Credit Administrative Expenses Revolving Fund created in Section 1 of this act.

D. Of the fee on dealers provided for in subsection A of this section, Fifty Dollars ($50.00) shall be deposited in the General Revenue Fund of the State Treasury and One Hundred Fifty Dollars ($150.00) shall be deposited in the Consumer Credit Administrative Expenses Revolving Fund created in Section 1 of this act.

E. Of the one-time inspection fee provided for in subsection A of this section, Fifty Dollars ($50.00) shall be deposited in the General Revenue Fund of the State Treasury and One Hundred Seventy-five Dollars ($175.00) shall be deposited in the Consumer Credit Administrative Expenses Revolving Fund created in Section 1 of this act.

Historical Data


Section 1527 - Municipalities - Additional License Requirements or Fees Prohibited – Ordinances

No additional licensing requirement or license fee shall be required by any municipal corporation of this state. This act shall not annul or supersede any existing municipal ordinances, nor prevent the enactment of such ordinances, unless such ordinances specifically conflict with the provisions of this act or regulations issued by the Administrator pursuant to the provisions of this act.

Historical Data


Section 1528 - Denial, Suspension or Revocation of License – Hearing

A. The Administrator may, after notice and hearing, deny, suspend or revoke any license if it is found that:

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

2. The licensee has failed to pay any fee or charge properly imposed by the Administrator under the authority of this act;

3. The licensee has violated any provision of this act or any regulation or order made pursuant to and within the authority of this act; or
4. Any fact or condition exists which, if it had existed or had been known to exist at the time of the original application for a license, clearly would have justified the Administrator in refusing the license.

B. The hearing for denial, suspension or revocation of a license shall be held upon twenty (20) days’ notice in writing, setting forth the time and place thereof and a concise statement of the facts alleged to warrant the hearing. After the hearing, the Administrator shall prepare a written order setting forth the effective date of the order accompanied by findings of fact and a copy shall be delivered to the applicant or licensee. Such order, findings and the evidence considered by the Administrator shall be maintained as a part of the permanent public records of the Administrator.

C. Any licensee may surrender any license by delivering it to the Administrator with written notice of its surrender. Such surrender shall not affect the civil or criminal liability of the licensee for acts committed prior to the surrender of the license.

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

Historical Data


Section 1529 - Violations – Penalties

Willful violation of any of the provisions of this act shall be a misdemeanor upon first conviction punishable by not more than thirty (30) days in the county jail or by a fine not to exceed Five Hundred Dollars ($500.00) or both. Subsequent convictions of a willful violation of this act shall be a felony punishable by not more than three (3) years in the State Penitentiary.

Historical Data


Section 1530 – Records

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

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

2. The amount of money involved in the transaction;

3. The date;

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

B. The book required by this section shall be a permanent record to be kept available for inspection at all times on the premises of the business of the licensed dealer. Such book shall be made available during regular business hours for inspection by any law enforcement officer authorized by a law enforcement agency to inspect such book. Every entry in such book shall be made in ink and shall not in any manner be obliterated or erased.

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

D. No dealer shall be required to furnish a description of property purchased from another licensed dealer or to meet the holding period provided for in Section 11 of this act if that dealer has met the requirements provided for in subsection A of this section and Section 11 of this act upon the initial purchase of the property, provided, that each shall record the license number of the other dealer and the amount of the transaction.

Historical Data

Section 1531 - Certain Goods to Be Kept By Dealer - Time Period – Procedure

A. Every dealer must keep at the business location designated in the license application, all used articles made, in whole or in part, of precious metals or gems, for inspection by any law enforcement officer at reasonable times for a period of ten (10) days or until the articles have been released by written authorization of any law enforcement officer authorized by the law enforcement agency or its designee, except as provided for in subsection C of Section 5 of this act. During this period, the appearance of such articles shall not be altered in any way. A dealer is not prohibited from selling or arranging to sell such articles during the ten-day period as long as such articles remain in his possession as required by this section.

B. A dealer may also designate an additional location for storage of items required to be held under the provisions of this act. This location shall be either a vault or a bank. The address of the designated additional location shall be filed with the Administrator. The Administrator shall release the designated location only to law enforcement agencies. The designated additional location shall be available for inspection by any law enforcement officer of this state authorized by the law enforcement agency to inspect the same.

Historical Data

Section 1532 - Reports of Theft of Precious Metal

Upon receiving a reported theft of precious metals, all law enforcement agencies shall transmit such reports to the Oklahoma State Bureau of Investigation. The reporting law enforcement agencies shall include any municipality, city, or town or county law enforcement agencies.

Historical Data