

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 579 Session of 2015

INTRODUCED BY SACCONI, V. BROWN, GODSHALL, COHEN, IRVIN AND MOUL, FEBRUARY 23, 2015

AS REPORTED FROM COMMITTEE ON CONSUMER AFFAIRS, HOUSE OF REPRESENTATIVES, AS AMENDED, MAY 6, 2015

AN ACT

1 Amending the act of February 24, 1984 (P.L.92, No.17), entitled
2 "An act regulating the purchase and sale of precious metals,"
3 further providing for definitions, for license required, for
4 records of transactions, for dealer's retention of precious
5 metal and availability for inspection and, for purchases from <--
6 minors AND FOR PENALTY. <--

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. Section 1 of the act of February 24, 1984
10 (P.L.92, No.17), referred to as the Precious Metal Sale
11 Regulation Law, is amended by adding a definition to read: <--

12 Section 1. Definitions.

13 The following words and phrases when used in this act shall
14 have the meanings given to them in this section unless the
15 context clearly indicates otherwise:

16 \* \* \* <--

17 "BUSINESS DAYS." EXCLUDES SATURDAYS, SUNDAYS AND FEDERAL OR <--
18 STATE LEGAL HOLIDAYS.

19 "DEALER IN PRECIOUS METALS." AN INDIVIDUAL, PARTNERSHIP,

1 ASSOCIATION, CORPORATION OR BUSINESS ENTITY, WHO OR WHICH  
2 PURCHASES PRECIOUS METALS FROM THE GENERAL PUBLIC FOR RESALE OR  
3 [REFINING] OTHER COMMERCIAL DISPOSITION, OR ANY INDIVIDUAL WHO  
4 ACTS AS AGENT FOR SUCH INDIVIDUAL, PARTNERSHIP, ASSOCIATION,  
5 CORPORATION OR BUSINESS ENTITY FOR SUCH PURCHASE OR PURCHASES.  
6 EXCLUDED FROM THIS DEFINITION ARE FINANCIAL INSTITUTIONS  
7 LICENSED UNDER FEDERAL OR STATE BANKING LAWS, THE PURCHASER OF  
8 PRECIOUS METALS WHO PURCHASES FROM A SELLER SEEKING A TRADE-IN  
9 OR ALLOWANCE, THE MANUFACTURERS OF JEWELRY OR OF OTHER ITEMS  
10 COMPOSED, IN WHOLE OR IN PART, OF GOLD, SILVER OR PLATINUM AND  
11 THE PURCHASER OF PRECIOUS METALS FOR HIS, HER OR ITS OWN USE OR  
12 OWNERSHIP AND NOT FOR RESALE OR [REFINING] OTHER COMMERCIAL  
13 DISPOSITION.

14 "GOLD." ANY ALLOY OF THE ELEMENT GOLD, TEN KARAT OR OF  
15 GREATER FINENESS. A KARAT IS 1/24 PART, BY WEIGHT, OF THE ALLOY  
16 OF THE METALLIC ELEMENT GOLD.

17 "PLATINUM." ANY ALLOY OF THE ELEMENT PLATINUM, 750/1000 OR  
18 MORE PARTS PER THOUSAND, BY WEIGHT, OF PURE PLATINUM.

19 "PRECIOUS METALS." ITEMS CONTAINING OR BEING OF GOLD, SILVER  
20 OR PLATINUM, INCLUDING, BUT NOT LIMITED TO, JEWELRY AND SILVER  
21 SERVICES, BUT EXCLUDING COINS, INGOTS, BULLION OR PHOTOGRAPHIC  
22 FILM OR ANY ARTICLE CONTAINING LESS THAN 5% OF GOLD, SILVER OR  
23 PLATINUM BY WEIGHT.

24 "Proof of identity." An unexpired document issued by the  
25 Federal Government, the Commonwealth or any other state  
26 government, the District of Columbia, the Commonwealth of Puerto  
27 Rico or any United States territory that includes all of the  
28 following:

29 (1) The name, age and address of the seller.

30 (2) A photograph of the seller.

1           (3) An expiration date.

2           \* \* \*

<--

3           "SILVER." ANY ALLOY OF THE ELEMENT SILVER, 900/1000 OR MORE  
4 PARTS PER THOUSAND, BY WEIGHT, OF PURE SILVER.

<--

5           ["WORKING DAYS." EXCLUDES SATURDAYS, SUNDAYS AND FEDERAL OR  
6 STATE LEGAL HOLIDAYS.]

7           Section 2. Sections 2(e), 3(a), ~~4(a) and (b) and 5~~ AND (C),  
8 4(A), (B) AND (C), 5 AND 10 of the act are amended to read:

<--

9           Section 2. License required.

10          \* \* \*

11          (e) Application to be public record.--[Such] A dealer's  
12 annual license application shall be a public record maintained  
13 at the dealer's place of business and shall be made available  
14 to the general public for inspection upon request.

15          Section 3. Records of transactions.

16          (a) Dealers to keep record.--Every dealer in precious metals  
17 shall keep a record of every transaction upon a form [approved]   
18 AND IN A MANNER PRESCRIBED by the Attorney General. The record  
19 shall include as a minimum:

<--

20                 (1) [The name, age and address of the seller which must  
21 be verified by said dealer, requiring proof of identity from  
22 the seller sufficient to insure the accuracy of the  
23 represented name and address] A photocopy COPY of the proof  
24 of identity of the seller. ~~If the seller is under 18 years of~~  
25 age, written authority by the seller's parent, guardian or  
26 person in loco parentis shall also be required.

<--

<--

27                 (2) An accurate description of [the property] EACH ITEM  
28 purchased, including any serial number or other identifying  
29 marks or symbols ~~and~~ the date and hour of the  
30 transaction. ~~and a photograph of each item purchased. The~~

<--

1 ~~photograph shall be of~~

2 (3) A PHOTOGRAPH OF EACH ITEM PURCHASED. THE PHOTOGRAPH <--  
3 SHALL BE:

4 (I) TAKEN FROM TWO DIFFERENT PERSPECTIVES;

5 (II) NO LESS THAN 1:1 SCALE; AND

6 (III) OF sufficient size and clarity to identify any  
7 distinguishing details of a purchased item, including  
8 identifying marks, initials ~~or~~, INSIGNIAS, inscriptions. <--  
9 OR OTHER UNIQUE IDENTIFYING FEATURES.

10 (4) A PHOTOGRAPH OF THE SELLER, DIRECTLY FACING THE  
11 CAMERA IN FULL-FACE VIEW, OF A SUFFICIENT SIZE TO ENSURE THAT  
12 THE HEAD MEASURES BETWEEN 1 INCH AND 1/38 INCHES FROM THE  
13 BOTTOM OF THE CHIN TO THE TOP OF THE HEAD.

14 \* \* \*

15 (C) COPY OF RECORD TO DISTRICT ATTORNEY.--A COPY OF  
16 EVERY RECORD [OF TRANSACTION] CREATED PURSUANT TO SUBSECTION  
17 (A) (1) AND (2) SHALL BE DELIVERED OR MAILED TO THE DISTRICT  
18 ATTORNEY OF THE COUNTY IN WHICH A PURCHASE OF PRECIOUS METALS  
19 IS MADE BY THE CLOSE OF THE NEXT [WORKING] BUSINESS DAY AFTER  
20 THE DAY ON WHICH THE METAL WAS PURCHASED.

21 \* \* \*

22 Section 4. Dealer's retention of precious metal and  
23 availability for inspection.

24 (a) Precious metal to be retained for [five] ten days.--Each  
25 item of precious metal purchased by a dealer in precious metals  
26 shall be retained in unaltered condition for [five] ten full  
27 [working] BUSINESS days after report of its purchase has been <--  
28 filed with the proper district attorney or his designee.

29 (b) Precious metal to be available for inspection.--Such  
30 item of precious metal shall be available for inspection, during

1 the [five] ~~ten~~ [working] 10 BUSINESS days, by law enforcement <--  
2 officials of the Federal Government, the Commonwealth or any of  
3 its municipalities in the course of their law enforcement  
4 duties. A search warrant shall not be required unless the  
5 inspection is made during hours other than those when the dealer  
6 in precious metals is open for business. UPON NOTICE, IN <--  
7 WRITING, TO A DEALER BY A LAW ENFORCEMENT OFFICIAL INVESTIGATING  
8 A REPORTED THEFT OF PRECIOUS METALS, TRANSACTION RECORDS MAY BE  
9 INSPECTED BY A REPRESENTATIVE OF A LICENSED INSURANCE COMPANY  
10 THAT HAS PAID OR IS CONTRACTUALLY OBLIGATED TO PAY A CLAIM FOR  
11 THE LOSS.

12 (C) LAW ENFORCEMENT OFFICIALS TO GIVE NOTICE WHEN THEY  
13 BELIEVE ITEM WAS STOLEN.--IF A LAW ENFORCEMENT OFFICIAL HAS  
14 PROBABLE CAUSE TO BELIEVE AN ITEM OF PRECIOUS METAL HAS BEEN  
15 STOLEN, HE MAY GIVE WRITTEN NOTICE TO THE DEALER IN PRECIOUS  
16 METALS. UPON RECEIPT OF SUCH WRITTEN NOTICE, SUCH DEALER IN  
17 PRECIOUS METALS SHALL RETAIN THE ITEM IN UNALTERED CONDITION FOR  
18 AN ADDITIONAL SEVEN FULL BUSINESS DAYS, UNLESS THE LAW  
19 ENFORCEMENT OFFICER IN WRITING RECALLS SUCH NOTICE.

20 \* \* \*

21 Section 5. Purchases from minors.

22 [The dealer in precious metals shall require any minor <--  
23 seeking to sell precious metals to produce ~~proof of identity and~~ <--  
24 written authority of a parent, guardian or person in loco  
25 parentis authorizing the sale of such precious metals. †Such <--  
26 authorization shall give the name and address of authorizing  
27 person.† The dealer in precious metals shall verify that such <--  
28 sale is authorized by †inquiry of such‡ ~~contacting the~~ parent, <--  
29 guardian or person in loco parentis. Minors shall be required to  
30 wait three full working days before receiving payment from the

1 sale of precious metals.] A DEALER IN PRECIOUS METALS MAY NOT <--  
2 PURCHASE OR SELL PRECIOUS METALS TO AN INDIVIDUAL WHO IS LESS  
3 THAN 18 YEARS OF AGE.

4 SECTION 10. PENALTY.

5 (A) UNLICENSED DEALERS.--THE PURCHASE OF AN ITEM OF PRECIOUS  
6 METAL BY AN UNLICENSED DEALER IN PRECIOUS METALS SHALL  
7 CONSTITUTE A VIOLATION OF THIS ACT AND THE DEALER SHALL BE  
8 GUILTY OF A MISDEMEANOR OF THE [THIRD] SECOND DEGREE.

9 (B) LICENSED DEALERS.--ANY LICENSED DEALER IN PRECIOUS  
10 METALS WHO VIOLATES ANY PROVISIONS OF THIS ACT SHALL BE GUILTY  
11 OF A MISDEMEANOR OF THE [THIRD] SECOND DEGREE.

12 (C) REVOCATION OF LICENSE AND INELIGIBILITY.--ANY  
13 INDIVIDUAL, PARTNERSHIP, ASSOCIATION, CORPORATION OR BUSINESS  
14 ENTITY VIOLATING ANY PROVISIONS OF THIS ACT SHALL, UPON  
15 CONVICTION, IN ADDITION TO THE PENALTIES SET FORTH IN  
16 SUBSECTIONS (A) AND (B) HEREOF, SUFFER IMMEDIATELY REVOCATION OF  
17 ANY EXISTING LICENSE ISSUED PURSUANT TO THE PROVISIONS OF THIS  
18 ACT AND SHALL BE INELIGIBLE TO APPLY FOR A DEALER'S LICENSE  
19 UNDER THIS ACT FOR A PERIOD OF FIVE YEARS THEREAFTER.

20 Section 3. This act shall take effect in 60 days.