

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 41

Session of 2017

INTRODUCED BY SACCONI, HEFFLEY, WHEELAND, IRVIN, GABLER, KORTZ AND FARRY, JANUARY 23, 2017

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, MARCH 20, 2017

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, 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. Sections 1, 2(e), 3(a) and (c), 4(a), (b) and
10 (c), 5 and 10 of the act of February 24, 1984 (P.L.92, No.17),
11 referred to as the Precious Metal Sale Regulation Law, are
12 amended to read:

13 Section 1. Definitions.

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

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 "Silver." Any alloy of the element silver, 900/1000 or more
3 parts per thousand, by weight, of pure silver.

4 ["Working days." Excludes Saturdays, Sundays and Federal or
5 State legal holidays.]

6 Section 2. License required.

7 * * *

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

12 Section 3. Records of transactions.

13 (a) Dealers to keep record.--Every dealer in precious metals
14 shall keep a record of every transaction upon a form [approved]
15 and in a manner prescribed by the Attorney General. The record
16 shall include as a minimum:

17 (1) [The name, age and address of the seller which must
18 be verified by said dealer, requiring proof of identity from
19 the seller sufficient to insure the accuracy of the
20 represented name and address] A copy of the proof of identity
21 of the seller.

22 (2) An accurate description of [the property] each item
23 purchased, including any serial number or other identifying
24 marks or symbols and the date and hour of the transaction.

25 (3) A photograph of each item purchased. THE ITEM, IF <--
26 THE ITEM PURCHASED HAS ANY DISTINGUISHING DETAILS, INCLUDING
27 IDENTIFYING MARKS, INITIALS, INSIGNIAS, INSCRIPTIONS OR OTHER
28 UNIQUE IDENTIFYING FEATURES. The photograph shall be:

29 (i) taken from two different perspectives;

30 (ii) no less than 1:1 scale; and

1 (iii) of sufficient size and clarity to identify any
2 distinguishing details of a purchased item, including <--
3 identifying marks, initials, insignias, inscriptions or
4 other unique identifying features.

5 (4) A photograph of the seller, directly facing the
6 camera in full face view, of a sufficient size to ensure that
7 the head measures between 1 and 1/38 inches from the bottom
8 of the chin to the top of the head.

9 * * *

10 (c) Copy of record to district attorney.--A copy of every
11 record [of transaction] created pursuant to subsection (a) (1)
12 and (2) shall be delivered or mailed to the district attorney of
13 the county in which a purchase of precious metals is made by the
14 close of the next [working] business day after the day on which
15 the metal was purchased.

16 * * *

17 Section 4. Dealer's retention of precious metal and
18 availability for inspection.

19 (a) Precious metal to be retained for [five] 10 days.--Each
20 item of precious metal purchased by a dealer in precious metals
21 shall be retained in unaltered condition for [five] 10 full
22 [working] business days after report of its purchase has been
23 filed with the proper district attorney or his designee.

24 (b) Precious metal to be available for inspection.--Such
25 item of precious metal shall be available for inspection, during
26 the [five working] 10 business days, by law enforcement
27 officials of the Federal Government, the Commonwealth or any of
28 its municipalities in the course of their law enforcement
29 duties. A search warrant shall not be required unless the
30 inspection is made during hours other than those when the dealer

1 in precious metals is open for business. Upon notice, in
2 writing, to a dealer by a law enforcement official investigating
3 a reported theft of precious metals, transaction records may be
4 inspected by a representative of a licensed insurance company
5 that has paid or is contractually obligated to pay a claim for
6 the loss.

7 (c) Law enforcement officials to give notice when they
8 believe item was stolen.--If a law enforcement official has
9 probable cause to believe an item of precious metal has been
10 stolen, he may give written notice to the dealer in precious
11 metals. Upon receipt of such written notice, such dealer in
12 precious metals shall retain the item in unaltered condition for
13 an additional seven full business days, unless the law
14 enforcement officer in writing recalls such notice.

15 * * *

16 Section 5. Purchases from minors.

17 [The dealer in precious metals shall require any minor
18 seeking to sell precious metals to produce written authority of
19 a parent, guardian or person in loco parentis authorizing the
20 sale of such precious metals. Such authorization shall give the
21 name and address of authorizing person. The dealer in precious
22 metals shall verify that such sale is authorized by inquiry of
23 such parent, guardian or person in loco parentis. Minors shall
24 be required to wait three full working days before receiving
25 payment from the sale of precious metals.] A dealer in precious
26 metals may not purchase or sell precious metals to an individual
27 who is less than 18 years of age.

28 Section 10. Penalty.

29 (a) Unlicensed dealers.--The purchase of an item of precious
30 metal by an unlicensed dealer in precious metals shall

1 constitute a violation of this act and the dealer shall be
2 guilty of a misdemeanor of the [third] second degree.

3 (b) Licensed dealers.--Any licensed dealer in precious
4 metals who violates any provisions of this act shall be guilty
5 of a misdemeanor of the [third] second degree.

6 (c) Revocation of license and ineligibility.--Any
7 individual, partnership, association, corporation or business
8 entity violating any provisions of this act shall, upon
9 conviction, in addition to the penalties set forth in
10 subsections (a) and (b) hereof, suffer immediately revocation of
11 any existing license issued pursuant to the provisions of this
12 act and shall be ineligible to apply for a dealer's license
13 under this act for a period of five years thereafter.

14 Section 2. This act shall take effect in 60 days.