

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 350 Session of 2019

INTRODUCED BY RIGBY, NELSON, COOK, SCHMITT, STRUZZI, GREGORY, ECKER, JONES, FARRY, DUNBAR, RADER, HERSHEY, KAUFFMAN, ZIMMERMAN, JAMES, WHEELAND, KORTZ AND T. DAVIS, FEBRUARY 1, 2019

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES, MARCH 12, 2019

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.

1 "Dealer in precious metals." An individual, partnership,
2 association, corporation or business entity, who or which
3 purchases precious metals from the general public for resale or
4 [refining] other commercial disposition, or any individual who
5 acts as agent for such individual, partnership, association,
6 corporation or business entity for such purchase or purchases.
7 Excluded from this definition are wholesale purchasers,
8 financial institutions licensed under Federal or State banking
9 laws, the purchaser of precious metals who purchases from a
10 seller seeking a trade-in or allowance, the manufacturers of
11 jewelry or of other items composed, in whole or in part, of
12 gold, silver or platinum and the purchaser of precious metals
13 for his, her or its own use or ownership and not for resale or
14 [refining] other commercial disposition.

15 "Gold." Any alloy of the element gold, ten karat or of
16 greater fineness. A karat is 1/24 part, by weight, of the alloy
17 of the metallic element gold.

18 "Platinum." Any alloy of the element platinum, 750/1000 or
19 more parts per thousand, by weight, of pure platinum.

20 "Precious metals." Items containing or being of gold, silver
21 or platinum, including, but not limited to, jewelry and silver
22 services, but excluding coins, ingots, bullion or photographic
23 film or any article containing less than 5% of gold, silver or
24 platinum by weight.

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

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

1 (2) A photograph of the seller.

2 (3) An expiration date.

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 "WHOLESALE PURCHASER." A BUSINESS ENTITY THAT ACQUIRES <--
8 PRECIOUS METALS ONLY FROM TRANSACTIONS EXCLUDING THE GENERAL
9 PUBLIC. THIS TERM SHALL NOT INCLUDE A DEALER IN PRECIOUS METALS.

10 Section 2. License required.

11 * * *

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

16 Section 3. Records of transactions.

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

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

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

29 (3) A PHOTOGRAPH OF THE ITEM, IF THE ITEM PURCHASED HAS <--
30 ANY DISTINGUISHING DETAILS, INCLUDING IDENTIFYING MARKS,

1 INITIALS, INSIGNIAS, INSCRIPTIONS OR OTHER UNIQUE IDENTIFYING
2 FEATURES. THE PHOTOGRAPH SHALL BE:

3 (I) TAKEN FROM TWO DIFFERENT PERSPECTIVES;

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

5 (III) OF SUFFICIENT SIZE AND CLARITY TO IDENTIFY ANY
6 DISTINGUISHING DETAILS.

7 * * *

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

14 * * *

15 Section 4. Dealer's retention of precious metal and
16 availability for inspection.

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

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

1 a reported theft of precious metals, transaction records may be
2 inspected by a representative of a licensed insurance company
3 that has paid or is contractually obligated to pay a claim for
4 the loss.

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

13 * * *

14 Section 5. Purchases from minors.

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

26 Section 10. Penalty.

27 (a) Unlicensed dealers.--The purchase of an item of precious
28 metal by an unlicensed dealer in precious metals shall
29 constitute a violation of this act and the dealer shall be
30 guilty of a misdemeanor of the [~~third~~] second degree.

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

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

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