
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1373 Session of
2015

INTRODUCED BY D. COSTA, DeLUCA, CALTAGIRONE, V. BROWN, TAYLOR,
McNEILL, KOTIK, THOMAS, DEASY, MAHONEY, MURT AND JOZWIAK,
JUNE 25, 2015

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, JUNE 25, 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, for purchases from
6 minors and for penalties.

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

9 Section 1. The definition of "dealer in precious metals" in
10 section 1 of the act of February 24, 1984 (P.L.92, No.17),
11 referred to as the Precious Metal Sale Regulation Law, is
12 amended and the section is amended by adding a definition to
13 read:

14 Section 1. Definitions.

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

18 "Dealer in precious metals." As follows:

19 (1) An individual, partnership, association, corporation

1 or business entity, who or which purchases precious metals
2 from the general public for resale or refining or any
3 individual who acts as agent for such individual,
4 partnership, association, corporation or business entity for
5 such purchase or purchases.

6 (2) An individual, partnership, association, corporation
7 or business entity, who or which advertises the buying or
8 selling of any precious metals by such individual,
9 partnership, association, corporation or business entity.

10 (3) Excluded from this definition are financial
11 institutions licensed under Federal or State banking laws,
12 the purchaser of precious metals who purchases from a seller
13 seeking a trade-in or allowance, the manufacturers of jewelry
14 or of other items composed, in whole or in part, of gold,
15 silver or platinum and the purchaser of precious metals for
16 his, her or its own use or ownership and not for resale or
17 refining.

18 * * *

19 "Proof of identity." A document that:

20 (1) shows the name of the seller;
21 (2) shows a photograph of the seller;
22 (3) shows the address of the seller;
23 (4) includes an expiration date and is not expired; and
24 (5) was issued by the United States Government, any
25 state of the United States, the District of Columbia, the
26 Commonwealth of Puerto Rico or any territory of the United
27 States.

28 * * *

29 Section 2. Section 2(a) and (c) of the act are amended and
30 the section is amended by adding a subsection to read:

1 Section 2. License required.

2 (a) Dealer.--A dealer in precious metals shall obtain a
3 license from the sheriff of each and every county in which the
4 dealer purchases precious metals. The license shall be displayed
5 in the area of the business where precious metal transactions
6 transpire.

7 * * *

8 (c) License fee.--The license fee shall not exceed [\$50]
9 \$125 per year as set by the Attorney General. Such fee shall be
10 paid into the treasury of the county where the license is issued
11 for the use of the county, with not less than 50% of the fee
12 allocated to the county sheriff's office.

13 * * *

14 (f) Dealer compliance fee.--A local compliance fee, not to
15 exceed \$250 annually, shall be determined by each county and
16 paid by a dealer in precious metals as a condition of licensure.
17 The compliance fee shall be used to pay costs associated with
18 the management and maintenance of computer software used to
19 monitor the input and recording of precious metal transactions.
20 In addition, the fees shall be used to provide related support
21 for transactions between dealers in precious metals and their
22 customers.

23 Section 3. Sections 3(a), 4(a), (b) and (c), 5 and 10 of the
24 act are amended to read:

25 Section 3. Records of transactions.

26 (a) Dealers to keep record.--Every dealer in precious metals
27 shall keep a record of every transaction upon a form approved by
28 the Attorney General. The record shall include as a minimum:

29 (1) The name[, age and address] of the seller, to
30 include first, middle and last name, address of residence,

1 date of birth, sex, hair color, eye color, height and weight,
2 which must be verified by said dealer, requiring proof of
3 identity from the seller sufficient to insure the accuracy of
4 the represented name and address of the seller.

5 (2) [An] A complete and accurate description of the
6 property purchased, including any serial number or other
7 identifying marks or symbols, metallic composition of the
8 object, alterations made to the object, weight of the object,
9 the price paid by the dealer for the object and the date and
10 hour of the transaction. Separate entries shall be made for
11 each item acquired.

12 (3) A photograph of the property purchased.

13 (4) A photocopy of the seller's proof of identity.

14 (5) The seller's and dealer's signature for each
15 transaction.

16 (6) Written authority and proof of identity of the
17 seller's parent, guardian or person in loco parentis, if the
18 seller is under 18 years of age.

19 * * *

20 Section 4. Dealer's retention of precious metal and
21 availability for inspection.

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

27 (b) Precious metal to be available for inspection.--Such
28 item of precious metal shall be available for inspection, during
29 the [five] 10 working days, by law enforcement officials of the
30 Federal Government, the Commonwealth or any of its

1 municipalities in the course of their law enforcement duties. A
2 search warrant shall not be required unless the inspection is
3 made during hours other than those when the dealer in precious
4 metals is open for business.

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 days, unless the law enforcement officer in
12 writing recalls such notice.] the law enforcement officer may
13 seize and retain the item in unaltered condition for a period of
14 no more than 30 days to determine whether or not the item was
15 stolen. The law enforcement officer shall provide notice to the
16 dealer upon seizing the item.

17 * * *

18 Section 5. Purchases from minors.

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

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] first 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] first degree.

6 (b.1) Allocation of portion of fines collected.--

7 Notwithstanding the provisions of 42 Pa.C.S. §§ 3571 (relating
8 to Commonwealth portion of fines, etc.) and 3573 (relating to
9 municipal corporation portion of fines, etc.), 10% of the fines
10 collected under subsections (a) and (b) for a violation of this
11 act shall be allocated to pay the costs of the county computer
12 software under section 2(f).

13 (c) Revocation of license and ineligibility.--Any
14 individual, partnership, association, corporation or business
15 entity violating any provisions of this act shall, upon
16 conviction, in addition to the penalties set forth in
17 subsections (a) and (b) hereof, suffer immediately revocation of
18 any existing license issued pursuant to the provisions of this
19 act and shall be ineligible to apply for a dealer's license
20 under this act for a period of [five] 10 years thereafter.

21 Section 4. This act shall take effect in one year.