

1 SB530
2 121885-2
3 By Senator Marsh
4 RFD: Governmental Affairs
5 First Read: 11-MAR-10

1 SB530

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4 ENROLLED, An Act,

5 To provide for permit requirements and record
6 keeping that would prevent the transient operation of a gold
7 or precious item buying business; to provide that a violation
8 of this act is a Class B misdemeanor; and in connection
9 therewith would have as its purpose or effect the requirement
10 of a new or increased expenditure of local funds within the
11 meaning of Amendment 621 of the Constitution of Alabama of
12 1901, now appearing as Section 111.05 of the Official
13 Recompilation of the Constitution of Alabama of 1901, as
14 amended.

15 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

16 Section 1. As used in this act, the following terms
17 shall have the following meanings:

18 (1) DEALER. Any person, corporation, or partnership
19 that engages in the business of purchasing precious items for
20 the purpose of reselling such items in any form. A dealer does
21 not include a manufacturer, retail merchant, pawnbroker
22 licensed by the Alabama State Banking Department, or person in
23 the wholesale business.

24 (2) LOCAL LAW ENFORCEMENT AGENCY. The chief of
25 police for businesses located within the jurisdiction of a

1 municipality and the county sheriff for businesses located
2 outside the jurisdiction of a municipality.

3 (3) PERMANENT PLACE OF BUSINESS. A fixed premises
4 either owned by the dealer or leased by the dealer for at
5 least one year.

6 (4) PRECIOUS ITEM. Any of the following:

7 a. An article made in whole or in part of gold,
8 silver, or platinum.

9 b. Precious or semiprecious stones or pearls whether
10 mounted or unmounted.

11 (5) PURCHASE. The acquisition of a precious item or
12 items for a consideration of cash, goods, or another precious
13 item.

14 Section 2. (a) Each dealer engaged in the business
15 of purchasing precious items for the purpose of reselling the
16 items shall purchase a state license in the amount of one
17 hundred dollars (\$100) and a county license in the amount of
18 fifty dollars (\$50) under the provisions of Article 1, Chapter
19 12, Title 40, Code of Alabama 1975. The dealer shall purchase
20 one state license per year and shall annually purchase the
21 county license in each county where he or she conducts
22 business. No dealer shall operate in the State of Alabama
23 unless he or she first obtains the business license required
24 herein to engage in the business of purchasing precious items.

1 (b) A dealer may only operate from the permanent
2 place of business listed on the business license. The dealer
3 shall forward a copy of each state and county license to the
4 local law enforcement agency within five days of receipt.

5 Section 3. (a) Each dealer shall keep for six months
6 from the date of purchase of a precious item and make
7 available on request of a local law enforcement agency:

8 (1) The name, current address, date of birth, and
9 signature of the person from whom the dealer purchased the
10 item.

11 (2) A description of the person, including height,
12 weight, race, complexion, and hair color.

13 (3) A valid identification card number as outlined
14 in subsection (b).

15 (4) A list describing the items purchased from that
16 person.

17 (b) Before making a purchase, a dealer shall require
18 the person from whom he or she is purchasing to identify
19 himself or herself with a valid driver's license, a
20 non-driver's identification card, Armed Services
21 identification card, or other valid photo identification
22 sufficient to obtain the information required pursuant to
23 subsection (a).

24 (1) The method of photo identification must contain
25 a traceable serial number to be recorded by the dealer.

1 (2) A list of the acceptable forms of photo
2 identification shall be provided by each local law enforcement
3 agency.

4 (c) Each dealer, at least once each week in which he
5 or she makes a purchase, shall make out and deliver to the
6 local law enforcement agency a true, complete, and legible
7 list of all items purchased during the period since the last
8 report. The dealer shall use local law enforcement agency
9 forms to meet the requirements of this subsection if such
10 forms are issued by the local law enforcement agency. The list
11 shall include:

12 (1) The brand name and serial number, if any, of the
13 item or items purchased.

14 (2) An accurate description of each item sufficient
15 to enable the law enforcement agency to identify the item.

16 (3) The date and time when the item was received.

17 (4) The amount paid for each item.

18 (5) All information pursuant to subsection (a).

19 Section 4. Any item purchased shall be held in the
20 same shape and form as receipted for in the dealer's custody
21 for 15 business days after delivering the list to the local
22 law enforcement agency as required under this act.

23 (1) Payment to the seller shall be by check only,
24 made payable to a named actual intended seller.

1 (2) It is presumptive evidence of intent to violate
2 this act if the items purchased are not listed or fail to
3 agree with the description contained in the required list.

4 (3) On notification by a law enforcement agency or
5 district attorney's office that the items purchased are the
6 fruits of a crime, the dealer may not dispose of those items.

7 (4) A dealer may not purchase items from any person
8 under 18 years of age unless the person is accompanied by a
9 parent or guardian who must submit identification as required
10 under this act.

11 Section 5. Each dealer shall prominently display a
12 copy of this statute in a conspicuous place on the premises of
13 the business.

14 Section 6. A person who violates this act is guilty
15 of a Class B misdemeanor.

16 Section 7. This act does not apply to any person who
17 purchases precious items from a retail merchant, pawnbroker
18 licensed by the Alabama State Banking Department,
19 manufacturer, or wholesale dealer.

20 Section 8. Although this bill would have as its
21 purpose or effect the requirement of a new or increased
22 expenditure of local funds, the bill is excluded from further
23 requirements and application under Amendment 621, now
24 appearing as Section 111.05 of the Official Recompilation of
25 the Constitution of Alabama of 1901, as amended, because the

1 bill defines a new crime or amends the definition of an
2 existing crime.

3 Section 9. This act shall become effective on the
4 first day of the third month following its passage and
5 approval by the Governor, or its otherwise becoming law.

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President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB530

Senate 06-APR-10

I hereby certify that the within Act originated in and passed the Senate, as amended.

McDowell Lee
Secretary

House of Representatives
Amended and passed 21-APR-10

Senate concurred in House amendment 22-APR-10

By: Senator Marsh