
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 293 Session of
2017

INTRODUCED BY D. COSTA, SCHLOSSBERG, V. BROWN, TAYLOR, THOMAS,
McNEILL, FREEMAN AND DEASY, FEBRUARY 2, 2017

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, FEBRUARY 2, 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 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
20 or business entity, who or which purchases precious metals

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

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

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

17 * * *

18 "Proof of identity." A document that:

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

27 * * *

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

30 Section 2. License required.

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

6 * * *

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

12 * * *

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

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

24 Section 3. Records of transactions.

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

28 (1) The name[, age and address] of the seller, to
29 include first, middle and last name, address of residence,
30 date of birth, sex, hair color, eye color, height and weight,

1 which must be verified by said dealer, requiring proof of
2 identity from the seller sufficient to insure the accuracy of
3 the represented name and address of the seller.

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

11 (3) A photograph of the property purchased.

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

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

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

18 * * *

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

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

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

1 search warrant shall not be required unless the inspection is
2 made during hours other than those when the dealer in precious
3 metals is open for business.

4 (c) Law enforcement officials to give notice when they
5 believe item was stolen.--If a law enforcement official has
6 probable cause to believe an item of precious metal has been
7 stolen, [he may give written notice to the dealer in precious
8 metals. Upon receipt of such written notice, such dealer in
9 precious metals shall retain the item in unaltered condition for
10 an additional seven days, unless the law enforcement officer in
11 writing recalls such notice.] the law enforcement officer may
12 seize and retain the item in unaltered condition for a period of
13 no more than 30 days to determine whether or not the item was
14 stolen. The law enforcement officer shall provide notice to the
15 dealer upon seizing the item.

16 * * *

17 Section 5. Purchases from minors.

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

27 Section 10. Penalty.

28 (a) Unlicensed dealers.--The purchase of an item of precious
29 metal by an unlicensed dealer in precious metals shall
30 constitute a violation of this act and the dealer shall be

1 guilty of a misdemeanor of the [third] first degree.

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

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

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

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] 10 years thereafter.

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