

2023 -- H 5841 AS AMENDED

=====
LC002066
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

A N A C T

RELATING TO COMMERCIAL LAW -- GENERAL REGULATORY PROVISIONS --
PURCHASE AND SALE OF PRECIOUS METALS

Introduced By: Representatives Solomon, DeSimone, Cardillo, Casey, Noret, Vella-
Wilkinson, Kennedy, and Azzinaro

Date Introduced: March 01, 2023

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 6-11.1-4 and 6-11.1-7 of the General Laws in Chapter 6-11.1 entitled
2 "Purchase and Sale of Precious Metals" are hereby amended to read as follows:

3 **6-11.1-4. Record of transactions required — Reports to police.**

4 (a) Except as provided in subsection (e) of this section, every person licensed under this
5 chapter shall keep a copy of the report form obtained from or under the direction of the attorney
6 general, containing a comprehensive record of all transactions concerning precious metals
7 including catalytic converters. The comprehensive record shall be hand printed legibly or typed.
8 The record shall include the date and hour of the transaction; the name, address, telephone number
9 and date of birth of the seller, as well as a photocopy or digital image of a seller's photo
10 identification; the seller's signature; and a complete and accurate description of the property
11 purchased or sold including any serial numbers or other identifying marks or symbols.

12 (b) For any transacted catalytic converter, the record shall include either the vehicle
13 registration or the vehicle identification number, and bill of sale for the vehicle from which it was
14 removed and the license plate number, state of issue, make, and model of the vehicle used to deliver
15 the property to the licensee. The payment of the transaction shall be made only by check.

16 (c) All persons licensed under this chapter shall deliver or mail weekly to the chief of police
17 of the city or town in which the business is located and electronically submit to the attorney general,
18 in a manner specified by the attorney general, all report forms from the preceding seven-day (7)

1 period.

2 (d) Every person licensed under this chapter shall retain a copy of the report form for a
3 period of ~~one year~~ three (3) years from the date of the sale stated on the form. These records are to
4 be made available for inspection by any law enforcement agency requesting to review them.
5 Licensees or secondary metals recyclers are prohibited from releasing a supplier's information
6 without their consent, unless the disclosure is made in response to a request from a law enforcement
7 agency.

8 (e) ~~The requirements set forth in subsection (b) of this section shall not apply to business-~~
9 ~~to-business transactions. For purposes of this section, "business-to-business transactions" means a~~
10 ~~purchase of precious metals from a person or entity that is in the business of generating precious~~
11 ~~metals from its normal operation or is duly engaged in the business of purchasing, selling, bartering,~~
12 ~~or dealing in automotive salvage, precious metals, or secondhand articles.~~

13 (f) Any violation of these provisions shall be subject to the penalties set forth in § 6-11.1-
14 7.

15 **6-11.1-7. Penalties.**

16 (a) Every person who shall violate the provisions of this chapter shall be guilty of a
17 misdemeanor and shall be fined not more than five hundred dollars (\$500) or imprisoned for not
18 more than one year, or both.

19 (b) If the value of the property involved in a transaction that is in violation of this chapter
20 exceeds five hundred dollars (\$500) or the property is derived from a catalytic converter, a person
21 convicted of a violation shall be fined not more than two thousand dollars (\$2,000) or imprisoned
22 for not more than three (3) years or both.

23 (c) The attorney general shall ~~have the authority to~~ suspend the license of any person
24 required to be licensed under this chapter as a result of violations of this chapter or attorney general
25 regulations leading to penalties under this chapter.

26 SECTION 2. This act shall take effect upon passage.

=====
LC002066
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO COMMERCIAL LAW -- GENERAL REGULATORY PROVISIONS --
PURCHASE AND SALE OF PRECIOUS METALS

1 This act would mandate that a bill of sale for the vehicle be attached for any transacted
2 catalytic converter. Additionally, this act would change the requirement for every person licensed
3 under this chapter to retain a copy of the report form for a period of one year to three (3) years from
4 the date of the sale stated on the form. Also, a conviction under § 6-11.1-7 would be a felony subject
5 to fine and imprisonment.

6 This act would take effect upon passage.

=====
LC002066
=====