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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 41 Session of  
2017

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INTRODUCED BY SACCONI, HEFFLEY, WHEELAND, IRVIN, ZIMMERMAN AND  
GABLER, JANUARY 23, 2017

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REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, JANUARY 23, 2017

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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.

19 "Dealer in precious metals." An individual, partnership,  
20 association, corporation or business entity, who or which

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

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

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

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

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

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

29 (2) A photograph of the seller.

30 (3) An expiration date.

1 "Silver." Any alloy of the element silver, 900/1000 or more  
2 parts per thousand, by weight, of pure silver.

3 ["Working days." Excludes Saturdays, Sundays and Federal or  
4 State legal holidays.]

5 Section 2. License required.

6 \* \* \*

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

11 Section 3. Records of transactions.

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

16 (1) [The name, age and address of the seller which must  
17 be verified by said dealer, requiring proof of identity from  
18 the seller sufficient to insure the accuracy of the  
19 represented name and address] A copy of the proof of identity  
20 of the seller.

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

24 (3) A photograph of each item purchased. The photograph  
25 shall be:

26 (i) taken from two different perspectives;

27 (ii) no less than 1:1 scale; and

28 (iii) of sufficient size and clarity to identify any  
29 distinguishing details of a purchased item, including  
30 identifying marks, initials, insignias, inscriptions or

1 other unique identifying features.

2 (4) A photograph of the seller, directly facing the  
3 camera in full-face view, of a sufficient size to ensure that  
4 the head measures between 1 and 1/38 inches from the bottom  
5 of the chin to the top of the head.

6 \* \* \*

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

13 \* \* \*

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

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

21 (b) Precious metal to be available for inspection.--Such  
22 item of precious metal shall be available for inspection, during  
23 the [five working] 10 business days, by law enforcement  
24 officials of the Federal Government, the Commonwealth or any of  
25 its municipalities in the course of their law enforcement  
26 duties. A search warrant shall not be required unless the  
27 inspection is made during hours other than those when the dealer  
28 in precious metals is open for business. Upon notice, in  
29 writing, to a dealer by a law enforcement official investigating  
30 a reported theft of precious metals, transaction records may be

1 inspected by a representative of a licensed insurance company  
2 that has paid or is contractually obligated to pay a claim for  
3 the loss.

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 full business days, unless the law  
11 enforcement officer in writing recalls such notice.

12 \* \* \*

13 Section 5. Purchases from minors.

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

25 Section 10. Penalty.

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

30 (b) Licensed dealers.--Any licensed dealer in precious

1 metals who violates any provisions of this act shall be guilty  
2 of a misdemeanor of the [third] second degree.

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

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