

MAINE STATE LEGISLATURE

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Date: 6/6/13

L.D. 71
(Filing No. H-392)

LABOR, COMMERCE, RESEARCH AND ECONOMIC DEVELOPMENT

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
126TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 64, L.D. 71, Bill, "An Act To Amend the Laws Governing Pawn Transactions"

Amend the bill by striking out the title and substituting the following:

'An Act To Regulate Dealers in Secondhand Precious Metals'

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

'Sec. 1. 30-A MRSA §3972 is enacted to read:

§3972. Dealers in secondhand precious metals

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

- A. "Dealer" means a person who engages in the business of purchasing, selling or acquiring through exchange secondhand precious metals.
- B. "Precious metals" means any item composed in whole or in part of gold or silver, but does not include dental gold, unrefined metal ore, an electronic product, any part of a mechanical system on a motor vehicle or gold or silver coins or bullion.
- C. "Seller" means a person who sells or provides through an exchange secondhand precious metals to a dealer.

2. Records required. A dealer shall maintain the following records with respect to each transaction conducted by the dealer involving secondhand precious metals:

- A. The date, time and place of the transaction;
- B. The name and address of the seller or other person from whom the dealer acquired the precious metals;
- C. A digital photograph of each item of precious metals that is the subject of the transaction, as well as a complete description of the item purchased or acquired from

COMMITTEE AMENDMENT

1 the seller, including the weight of the item and any identification numbers, names,
2 initials, serial numbers or identifying marks on the item;

3 D. The consideration paid pursuant to the transaction; and

4 E. A signed statement of ownership from the seller of the secondhand precious
5 metals stating that the seller is the owner or is otherwise authorized to sell the
6 precious metals made on a form provided by the dealer that conspicuously bears the
7 warning that making a false statement is a Class D crime under Title 17-A, section
8 453.

9 Before recording the information required by this subsection, a dealer shall require
10 reasonable proof of the seller's identity in the form of a government-issued identification
11 card such as a motor vehicle operator's license or military identification card.

12 **3. Form of records.** The records required under subsection 2 must be kept for a
13 period of one year, maintained in order by date of purchase and contained either in a
14 bound volume or ledger or in a binder in which pages can be affixed.

15 **4. Availability for inspection.** Upon request by a law enforcement officer or
16 prosecuting attorney, a dealer in secondhand precious metals shall promptly make
17 available for inspection at the dealer's principal place of business the records required
18 under subsection 2.

19 **5. Holding period.** A dealer may not sell or alter any precious metals until the
20 precious metals have remained in the dealer's possession for 15 days after the date of
21 acquisition by the dealer, except that a dealer who determines that the precious metals are
22 not listed in an electronic database designed to catalog stolen property may sell or alter
23 the precious metals 10 days after the date of acquisition.

24 **6. Municipal permit.** A person may not act as a dealer without a permit issued by
25 the municipal officers of the municipality in which the person intends to maintain a
26 permanent place or places of business. A dealer shall provide the address of the
27 permanent place of business at which the dealer will do business to the municipality and
28 shall notify the municipality if the location changes. The municipal officers may require
29 other reasonable information as to the identity of the persons managing, supervising or
30 conducting the business as necessary in order to fulfill the purposes of this section. The
31 municipal officers may not issue a permit to act as a dealer to a person if they find that
32 issuance of the permit would be detrimental to the public health, safety or welfare.
33 Without a municipal permit, a person may not engage in the business of dealing in
34 secondhand precious metals.

35 **7. Violations.** A dealer who violates any of the requirements of this section is guilty
36 of a Class E crime except as specified in subsection 2, paragraph E. A court may award
37 restitution pursuant to Title 17-A, section 1325 to any victim, including a dealer, who
38 suffers an economic loss as the result of a violation of this section.'

39 **SUMMARY**

40 This amendment changes the title and replaces the bill. It requires a dealer in
41 secondhand precious metals to maintain records of each transaction involving precious
42 metals conducted by the dealer and prohibits a dealer from selling or altering any

1 precious metals until the precious metals have remained in the dealer's possession for 15
2 days after the date of the transaction, except that a dealer who determines that the
3 precious metals are not included in an electronic database designed to catalog stolen
4 property may sell or alter the precious metals 10 days after the date of purchase or
5 acquisition through exchange. It also prohibits a dealer from engaging in the purchase
6 and sale of secondhand precious metals without a municipal permit. It also provides that
7 a court may award restitution to any victim suffering economic loss from a violation of
8 these provisions, including a dealer in secondhand precious metals, pursuant to the
9 criteria currently provided for in law for restitution. It establishes that a violation of the
10 inspection and holding period requirements is a Class E crime.

FISCAL NOTE REQUIRED
(See attached)



126th MAINE LEGISLATURE

LD 71

LR 240(02)

An Act To Amend the Laws Governing Pawn Transactions

Fiscal Note for Bill as Amended by Committee Amendment *A (H-392)*
Committee: Labor, Commerce, Research and Economic Development
Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - General Fund
Minor revenue increase - General Fund

Correctional and Judicial Impact Statements

Establishes new Class E crimes.

The collection of additional fines may also increase General Fund revenue by minor amounts.