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Chapter No. 414
11/HR12/R1091SG
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HOUSE BILL NO. 1195

Originated in House Don Richardson Clerk

HOUSE BILL NO. 1195

AN ACT TO REGULATE THE BUSINESS OF PURCHASING GOLD AND PRECIOUS ITEMS FOR THE PURPOSE OF RESELLING THOSE ITEMS IN ANY FORM; TO DEFINE CERTAIN TERMS; TO EXCLUDE CERTAIN BUSINESSES FROM THE PROVISIONS OF THIS ACT; TO REQUIRE DEALERS ENGAGED IN THE BUSINESS OF BUYING PRECIOUS ITEMS TO OBTAIN A PRIVILEGE LICENSE BEFORE ENGAGING IN THE BUSINESS, TO MAINTAIN CERTAIN INFORMATION RELATING TO INDIVIDUAL TRANSACTIONS, AND TO MAKE WEEKLY REPORTS REGARDING ITEMS PURCHASED TO LOCAL LAW ENFORCEMENT AGENCIES; TO REQUIRE DEALERS TO KEEP PURCHASED ITEMS IN THEIR ORIGINAL FORM FOR FIFTEEN BUSINESS DAYS; TO REQUIRE DEALERS TO PROMINENTLY DISPLAY A COPY OF THIS ACT ON THEIR PREMISES; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. (1) As used in this act, the following words and phrases have the meanings ascribed in this section unless the context clearly indicates otherwise:

(a) "Dealer" means any person, corporation or partnership that engages in the business of purchasing precious items for the purpose of reselling such items in any form. The term "dealer" does not include a manufacturer, retail merchant, pawnbroker licensed under the Mississippi Pawnshop Act (Article 7, Chapter 67, Title 75, Mississippi Code of 1972) or person in the wholesale business, nor does it include any person who purchases precious items at a social gathering in a private residence.

(b) "Local law enforcement agency" means the chief of police for businesses located within the jurisdiction of a municipality and the county sheriff for businesses located outside the jurisdiction of a municipality.

(c) "Permanent place of business" means a fixed premises either owned by the dealer or leased by the dealer for at least one (1) year.

(d) "Precious item" means any of the following:

(i) An article made, in whole or in part, of gold, silver or platinum.

(ii) Precious or semiprecious stones or pearls, whether mounted or unmounted.

(e) "Purchase" means the acquisition of a precious item or items for a consideration of cash, goods or another precious item.

(2) This act shall not apply to any person who purchases precious items from a retail merchant, pawnbroker licensed under the Mississippi Pawnshop Act, manufacturer or wholesale dealer, nor does it apply to any person who purchases precious items at a social gathering in a private residence.

(3) For purposes of this section, the term "private residence" means a separate dwelling or a separate apartment in a multiple dwelling, which is occupied by members of a single-family unit.

SECTION 2. (1) A dealer desiring to engage in the business of purchasing precious items for the purpose of reselling those items must purchase a privilege license under Section 27-17-9 which authorizes him or her to engage in that business. A dealer may not operate in the State of Mississippi unless he or she has a current privilege license to engage in the business of purchasing precious items for the purpose of reselling those items.

(2) A dealer may operate only from the permanent place of business listed on the privilege license. The dealer must forward a copy of each privilege license to the local law enforcement agency within five (5) days of receipt of the license.

SECTION 3. (1) Each dealer shall keep the following information for six (6) months from the date of purchase of a precious item:

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

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

(c) A copy and the serial number of a valid identification card number, as required under subsection (2).

(d) A list describing the items purchased from that person.

Upon the request of a local law enforcement agency, the dealer must make available any of the information required under this subsection.

(2) Before making a purchase, a dealer shall require the person from whom he or she is purchasing the precious item to identify himself or herself with a valid driver's license, nondriver's identification card, armed services identification card or other valid photo identification sufficient to obtain the information required under subsection (1). The photo identification must contain a traceable serial number, which must be recorded by the dealer. The local law enforcement agency shall make available to each dealer a list of the forms of photo identification that are acceptable under this act.

(3) Each dealer, at least once each week in which he or she makes a purchase, shall make out and deliver to the local law enforcement agency a true, complete and legible list of all items purchased during the period since the last report. If the local law enforcement agency has issued forms for the making of the reports, the dealer must use those forms to meet the requirements of this subsection. The list of items must include the following:

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

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

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

(d) The amount paid for each item.

(e) All information required under subsection (1) of this section.

SECTION 4. (1) Any item purchased must be held in the dealer's custody in the same shape and form for which it was receipted for fifteen (15) business days after delivering the list of items required under Section 3 of this act to the local law enforcement agency.

(2) A dealer may make payment to a seller only by check made payable to a named actual intended seller.

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

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

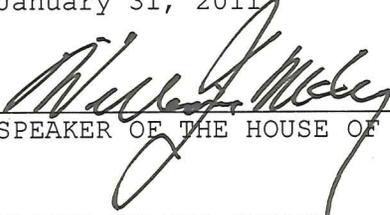
(5) A dealer may not purchase items from any person under eighteen (18) years of age unless the person is accompanied by a parent or guardian who submits the identification required under Section 3 of this act.

SECTION 5. Each dealer must display prominently a copy of this statute in a conspicuous place on the premises of the business.

SECTION 6. A violation of this act is a misdemeanor punishable by a fine of not more than One Thousand Dollars (\$1,000.00) or by imprisonment in the county jail for not more than six (6) months, or by both fine and imprisonment.

SECTION 7. This act shall take effect and be in force from and after July 1, 2011.

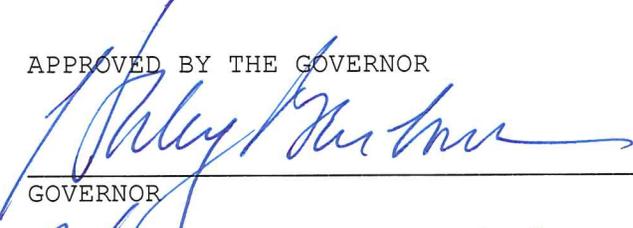
PASSED BY THE HOUSE OF REPRESENTATIVES
January 31, 2011


SPEAKER OF THE HOUSE OF REPRESENTATIVES

PASSED BY THE SENATE
March 3, 2011


PRESIDENT OF THE SENATE

APPROVED BY THE GOVERNOR


GOVERNOR
3/16/11 5:03p