Reprinted
April 3, 2013

ENGROSSED
HOUSE BILL No. 1188

DIGEST OF HB 1188 (Updated April 2, 2013 3:06 pm - DI 44)

Citations Affected: IC 4-5; IC 24-4; IC 25-37.5; IC 28-7; IC 35-51.

Synopsis: Precious metal dealers. Regulates precious metal dealers who engage in the business of purchasing used jewelry and other used articles of personal property that are made of gold, silver, or platinum and were previously purchased at retail, acquired by gift, or obtained in some other fashion by a consumer for the purpose of reselling the precious metal in any form. Provides that, for purposes of the law concerning precious metal dealers, precious metal does not include certain coins, ingots, or industrial residue or byproducts. Provides that a precious metal dealer may engage in the business of purchasing or reselling precious metal in Indiana only at a fixed premises: (1) owned; or (2) leased for a term of at least 12 months; by the precious metal dealer. Requires a precious metal dealer to register annually with the secretary of state and certain local law enforcement agencies before the precious metal dealer may engage in business in Indiana. Provides that
(Continued next page)

Effective: July 1, 2013; January 1, 2014.

Dermody, Riecken, Hale
(SENATE SPONSORS — CHARBONNEAU, ARNOLD J, RANDOLPH)

January 10, 2013, read first time and referred to Committee on Commerce, Small Business and Economic Development.
February 7, 2013, amended, reported — Do Pass.
February 20, 2013, read second time, ordered engrossed. Engrossed.
February 21, 2013, read third time, passed. Yeas 96, nays 1.

SENATE ACTION

February 27, 2013, read first time and referred to Committee on Commerce, Economic Development and Technology.
March 26, 2013, amended, reported favorably — Do Pass.
April 2, 2013, read second time, amended, ordered engrossed.

C o p y

registration fees are to be deposited into the electronic and enhanced access fund. Requires a precious metal dealer to: (1) verify the identity of a person from whom precious metal is purchased by use of a government issued photographic identification; (2) take and retain a photograph of precious metal purchased by the dealer; (3) include certain information about a seller of precious metal on the bill of sale for the purchase of the precious metal; (4) report a description of all precious metal purchased each day to the appropriate local law enforcement agency; and (5) hold precious metal for at least 10 calendar days after the date the precious metal is purchased. Provides that during the 10 day period the precious metal dealer: (1) may not change the form of the precious metal; and (2) must allow a law enforcement officer to inspect the precious metal. Specifies that the law concerning precious metal dealers does not apply to: (1) licensed pawnbrokers; (2) valuable metal dealers; (3) retail jewelers remitting at least $10,000 in gross retail tax in the immediately preceding year; (4) coin shops; (5) coin shows; and (6) certain flea markets. Provides that the law concerning valuable metal dealers does not apply to the purchase or resale of: (1) precious metal regulated under the precious metal dealers law; or (2) used jewelry regulated under the jewelers law. Requires a pawnbroker to retain a pledge of precious metal for at least 10 calendar days after the date the pawnbroker obtains the pledge.

C o p y

Reprinted
April 3, 2013

First Regular Session 118th General Assembly (2013)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type.~~

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~*this style type*~~ reconciles conflicts between statutes enacted by the 2012 Regular Session of the General Assembly.

C o p y

ENGROSSED
HOUSE BILL No. 1188

A BILL FOR AN ACT to amend the Indiana Code concerning trade regulation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 4-5-1-13 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014]: **Sec. 13. The secretary of state may adopt and enforce rules under IC 4-22-2 necessary to carry out IC 24-4-19-12(b) concerning precious metal dealer registration.**

SECTION 2. IC 24-4-13-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014]: **Sec. 0.5. (a) This chapter applies only to a jeweler that is a retail merchant that:**

(1) is located in an area zoned for commercial land use;
(2) is open to the public;
(3) primarily sells jewelry; and
(4) remitted at least ten thousand dollars ($10,000) of Indiana gross retail and use tax during the immediately preceding calendar year as a result of retail sales of jewelry.

(b) This chapter does not apply to the following:
(1) A precious metal dealer regulated under IC 24-4-19.
(2) A valuable metal dealer (as defined in IC 25-37.5-1-1(b)).
(3) A pawnbroker licensed under IC 28-7-5.

SECTION 3. IC 24-4-19 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014]:

Chapter 19. Precious Metal Dealers

Sec. 1. This chapter does not apply to the following:
(1) A jeweler regulated under IC 24-4-13 concerning used jewelry sales.
(2) A valuable metal dealer (as defined in IC 25-37.5-1-1(b)).
(3) A pawnbroker licensed under IC 28-7-5.
(4) Coin shops.
(5) Coin shows.
(6) Flea markets:
(A) where personal property is offered or displayed for sale or exchange by at least ten (10) persons;
(B) held more than six (6) times in any twelve (12) month period; and
(C) that have as a primary characteristic activities that involve a series of sales sufficient in number, scope, and character to constitute a regular course of business.

Sec. 2. As used in this chapter, "jewelry" means personal ornaments made of gold, silver, or platinum that may or may not contain precious, semiprecious, or imitation stones.

Sec. 3. As used in this chapter, "permanent place of business" means a fixed premises:
(1) owned by a precious metal dealer; or
(2) leased by a precious metal dealer for a term of at least twelve (12) months;
at which the precious metal dealer purchases or resells precious metal.

Sec. 4. As used in this chapter, "person" means an individual, a firm, an association, a limited liability company, a partnership, a joint stock association, a trust, or a corporation.

Sec. 5. (a) As used in this chapter, "precious metal" means:
(1) used jewelry; and
(2) other used articles of personal property that:
(A) are made of gold, silver, or platinum; and
(B) were previously purchased at retail, acquired by gift, or obtained in some other fashion by a consumer.

C o p y

(b) The term does not include:

(1) mint issued coins that:

(A) are bought or sold as an investment in rare or precious metals; or

(B) have a collectable value greater than the face value of the coin;

(2) ingots; or

(3) industrial residue or byproducts that contain gold, silver, or platinum purchased from manufacturing firms.

Sec. 6. As used in this chapter, "precious metal dealer" means a person who engages in the business of purchasing precious metal for the purpose of reselling the precious metal in any form.

Sec. 7. As used in this chapter, "purchase" means to acquire property in exchange for cash, credit, or other valuable consideration.

Sec. 8. As used in this chapter, "seller" means a consumer or other person who sells precious metal to a precious metal dealer.

Sec. 9. As used in this chapter, "used jewelry" means jewelry previously purchased at retail, acquired by gift, or obtained in some other fashion by a consumer.

Sec. 10. A precious metal dealer who purchases or resells precious metal must comply with this chapter. However, this chapter does not apply to jewelry used by a customer as a trade-in toward the purchase of a new piece of jewelry.

Sec. 11. A precious metal dealer may engage in the business of purchasing or reselling precious metal in Indiana only at a permanent place of business owned or leased by the precious metal dealer.

Sec. 12. (a) A precious metal dealer must satisfy the registration requirements described in subsections (b) and (c) before the precious metal dealer may engage in the business of purchasing or reselling precious metal at a permanent place of business in Indiana.

(b) A precious metal dealer must submit a registration to the secretary of state one (1) time every twelve (12) months that includes the following:

(1) The name of the precious metal dealer.

(2) The addresses of all permanent places of business owned or leased by the precious metal dealer in Indiana.

(3) Any other information required by the secretary of state.

(4) A registration fee of one hundred dollars ($100), to be deposited by the secretary of state into the electronic and

C o p y

enhanced access fund established by IC 4-5-10-5.

(c) A precious metal dealer must submit a registration to a law enforcement agency one (1) time every twelve (12) months for each permanent place of business owned or leased by the precious metal dealer in Indiana as follows:

(1) If the permanent place of business is located in a municipality that maintains a law enforcement agency, the registration shall be submitted to the law enforcement agency of the municipality.

(2) If the permanent place of business is not located in a municipality that maintains a law enforcement agency, the registration shall be submitted to the sheriff of the county in which the permanent place of business is located.

A registration submitted to a law enforcement agency under this subsection must include the name of the precious metal dealer, the address of the permanent place of business, any other information required by the law enforcement agency, and a registration fee of fifty dollars ($50). However, if more than one (1) permanent place of business is registered with the same law enforcement agency, the precious metal dealer must pay a registration fee of fifty dollars ($50) to register all the permanent places of business with the law enforcement agency.

Sec. 13. (a) If a precious metal dealer purchases precious metal from a seller, the precious metal dealer shall:

(1) verify the identity of the seller by use of a government issued photographic identification;

(2) make a copy of the seller's government issued photographic identification; and

(3) take a photograph of the precious metal.

(b) A precious metal dealer shall retain a copy of the:

(1) government issued photographic identification; and

(2) photograph;

described in subsection (a) as required in section 14(e) of this chapter.

Sec. 14. (a) A precious metal dealer shall keep and use in the precious metal dealer's business the books, accounts, and records necessary to determine whether the precious metal dealer is complying with this chapter.

(b) A precious metal dealer shall preserve the books, accounts, and records, including cards used in the card system, for at least two (2) years after making the final entry on any purchase recorded.

C o p y

(c) The precious metal dealer shall keep the books and records so that the business of purchasing for resale of precious metal may be readily separated and distinguished from any other business in which the precious metal dealer is engaged.

(d) If a precious metal dealer, in the conduct of the business, purchases precious metal from a seller, the purchase shall be evidenced by a bill of sale properly signed by the seller verifying the accuracy of the information in the bill of sale. All bills of sale must be in duplicate and must list the following separate items:

(1) The date of sale.

(2) The:

(A) name;

(B) address;

(C) date of birth; and

(D) driver's license number or Social Security number;

of the seller from whom the precious metal was purchased.

(3) The amount of consideration paid for the precious metal.

(4) The:

(A) name of the precious metal dealer; and

(B) address of the permanent place of business where the purchase occurred.

(5) A description of each article of precious metal sold. However, if multiple articles of precious metal of a similar nature are delivered together in one (1) transaction, the description of the articles is adequate if the description contains the quantity of the articles delivered and a physical description of the type of articles delivered, including any unique identifying marks, numbers, names, letters, or special features.

(6) The type of government issued identification used to verify the identity of the seller under section 13 of this chapter, together with the name of the governmental agency that issued the identification and the identification number present on the government issued identification.

(e) If a precious metal dealer purchases precious metal, the precious metal dealer shall retain as part of the books, accounts, and records kept by the precious metal dealer under this section:

(1) the original copy of the bill of sale described in subsection (d); and

(2) the:

(A) copy of the seller's government issued photographic identification; and

C o p y

(B) photograph of the precious metal;

obtained by the precious metal dealer as required under section 13 of this chapter.

The second copy of the bill of sale shall be delivered to the seller by the precious metal dealer at the time of sale.

(f) The heading on all bill of sale forms must be in boldface type.

Sec. 15. (a) Each day a precious metal dealer purchases precious metal or obtains precious metal as part of a trade-in at a permanent place of business, the precious metal dealer shall report the information described in section 14(d) of this chapter concerning the precious metal to a law enforcement agency as follows:

(1) If the permanent place of business is located in a municipality that maintains a law enforcement agency, the report required under this section shall be made to the law enforcement agency of the municipality.

(2) If the permanent place of business is not located in a municipality that maintains a law enforcement agency, the report required under this section shall be made to the sheriff of the county in which the permanent place of business is located.

(b) The information reported to a law enforcement agency under subsection (a) shall be submitted in an electronic format if requested by the law enforcement agency.

Sec. 16. (a) The precious metal dealer shall make the records and information under section 14 of this chapter available for examination upon the request of a law enforcement agency (as defined in IC 10-13-3-10).

(b) The law enforcement agency under subsection (a) shall determine if:

(1) the records are sufficient; and

(2) the precious metal dealer has made the information reasonably available.

Sec. 17. A precious metal dealer may not purchase precious metal:

(1) from an individual less than eighteen (18) years of age; or

(2) that the precious metal dealer believes or should have reason to believe is stolen property acquired as a result of a crime.

Sec. 18. (a) A precious metal dealer shall hold each article of precious metal purchased by the precious metal dealer for at least ten (10) calendar days after the date the precious metal dealer

C o p y

purchases the precious metal:

(1) at the precious metal dealer's permanent place of business where the purchase occurred; and

(2) separate from other precious metal.

(b) During the ten (10) calendar days that the precious metal dealer must hold precious metal under subsection (a), the precious metal dealer:

(1) may not change the form of the precious metal; and

(2) shall allow a law enforcement officer to inspect the precious metal.

Sec. 19. (a) Records and information generated by a precious metal dealer in the course of business are confidential under IC 5-14-3-4.

(b) A law enforcement officer (as defined in IC 3-6-6-36(a)) may obtain or receive records and information described in subsection (a) relating to the purchase of precious metal for use in investigating crime.

(c) Law enforcement officials may disclose the name and address of the precious metal dealer to an adverse claimant in the case of a dispute over ownership of property in possession of the precious metal dealer.

Sec. 20. A person who knowingly or intentionally violates this chapter commits a Class A misdemeanor.

SECTION 4. IC 25-37.5-1-1, AS AMENDED BY P.L.158-2009, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 1. (a) When used in this chapter, "valuable metal" means any product made of metal that readily may be resold. The term:

(1) includes metal bossies and small component motor vehicle parts; ~~The term~~ **and**

(2) does not include **the following:**

(A) A beverage can.

(B) Used jewelry regulated under IC 24-4-13.

(C) Precious metal regulated under IC 24-4-19.

(b) As used in this chapter, "valuable metal dealer" means any individual, firm, corporation, limited liability company, or partnership engaged in the business of purchasing and reselling valuable metal either at a permanently established place of business or in connection with a business of an itinerant nature, including junk shops, junk yards, junk stores, auto wreckers, scrap metal dealers or processors, salvage yards, collectors of or dealers in junk, and junk cars or trucks. The term includes a core buyer. The term does not include a person who

C o p y

purchases a vehicle and obtains title to the vehicle.

(c) As used in this chapter, "purchase" means acquiring a valuable metal product for a consideration, but does not include purchases between scrap metal processing facilities (as defined in IC 8-23-1-36).

SECTION 5. IC 28-7-5-22, AS AMENDED BY P.L.35-2010, SECTION 177, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 22. (a) The holder of a ticket described in section 21 of this chapter shall be presumed to be the person entitled to redeem the pledge, and, except as provided in ~~subsection~~ **subsections** (b) **and (c),** the pawnbroker shall deliver the pledge to the person presenting the ticket, upon payment of principal, interest, and charge.

(b) **Except as provided in subsection (c),** if a local ordinance or other law requires the retention of the pledge for a specific period of time, the pawnbroker shall comply with the local ordinance or other law if the retention period does not exceed ten (10) days.

(c) If the pledge is precious metal (as defined in IC 24-4-19-5), a pawnbroker shall retain the pledge for at least ten (10) calendar days after the date the pawnbroker obtains the pledge:

(1) at the pawnbroker's permanent place of business where the pawnbroker obtained the pledge; and

(2) separate from other precious metal.

SECTION 6. IC 28-7-5-23, AS AMENDED BY P.L.35-2010, SECTION 178, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 23. (a) Except as provided in ~~subsection~~ **subsections** (b) **and (c),** when a ticket, instead of being presented in person, is sent to the pawnbroker by mail, accompanied with a money order for the total amount due and a reasonable fee for shipping and handling, the pawnbroker may securely pack and forward the pledge to the pledger in accordance with the remitter's instructions. If the remittance is insufficient to cover the amount due, the pawnbroker shall either notify the remitter of the amount of the deficiency or send the pledge subject to the payment of shipping charges by the consignee. The pawnbroker's liability for the pledge shall cease upon delivery of the pledge to the carrier or ~~his~~ **the carrier's** agent.

(b) **Except as provided in subsection (c),** if a local ordinance or other law requires the retention of the pledge for a specific period, the pawnbroker shall comply with the local ordinance or other law if the retention period does not exceed ten (10) days.

(c) If the pledge is precious metal (as defined in IC 24-4-19-5), a pawnbroker shall retain the pledge for at least ten (10) calendar

C o p y

days after the date the pawnbroker obtains the pledge:

(1) at the pawnbroker's permanent place of business where the pawnbroker obtained the pledge; and

(2) separate from other precious metal.

SECTION 7. IC 35-51-24-1, AS ADDED BY P.L.70-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 1. The following statutes define crimes in IC 24:

IC 24-1-1-3 (Concerning combinations in restraint of trade).
IC 24-1-2-1 (Concerning combinations in restraint of trade).
IC 24-1-2-2 (Concerning combinations in restraint of trade).
IC 24-1-2-3 (Concerning combinations in restraint of trade).
IC 24-1-3-1 (Concerning combinations in restraint of trade).
IC 24-1-4-3 (Concerning combinations in restraint of trade).
IC 24-2-2-3 (Concerning trademarks, trade names, and trade secrets).
IC 24-3-4-15 (Concerning regulated prices).
IC 24-3-4-16 (Concerning regulated prices).
IC 24-3-4-17 (Concerning regulated prices).
IC 24-3-5.4-24 (Concerning regulated prices).
IC 24-4-1-1 (Concerning regulated businesses).
IC 24-4-3-5 (Concerning regulated businesses).
IC 24-4-4-5 (Concerning regulated businesses).
IC 24-4-6-1 (Concerning regulated businesses).
IC 24-4-11-11 (Concerning regulated businesses).
IC 24-4-12-11 (Concerning regulated businesses).
IC 24-4-13-6 (Concerning regulated businesses).
IC 24-4-19-20 (Concerning regulated businesses).
IC 24-16.4-4 (Concerning regulated businesses).
IC 24-4.5-5-301 (Concerning Uniform Consumer Credit Code).
IC 24-4.5-5-302 (Concerning Uniform Consumer Credit Code).
IC 24-4.6-3-4 (Concerning unauthorized solicitation of money using the name of a public safety agency).
IC 24-5-8-19 (Concerning consumer sales).
IC 24-5-12-22 (Concerning consumer sales).
IC 24-5-12-25 (Concerning consumer sales).
IC 24-5-14-10 (Concerning consumer sales).
IC 24-5-16-16 (Concerning consumer sales).
IC 24-5-23.5-9 (Concerning consumer sales).
IC 24-5.5-6-1 (Concerning mortgage rescue protection fraud).
IC 24-6-1-1 (Concerning standard weights and measures).
IC 24-6-3-15 (Concerning standard weights and measures).

C o p y

IC 24-6-6-11 (Concerning standard weights and measures).
IC 24-7-9-1 (Concerning retail purchase agreements).
IC 24-7-9-2 (Concerning retail purchase agreements).
IC 24-7-9-3 (Concerning retail purchase agreements).
IC 24-8-6-1 (Concerning promotional gifts and contests).
IC 24-9-8-1 (Concerning home loan practices).

C o p y

COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce, Small Business and Economic Development, to which was referred House Bill 1188, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 5, delete "IC 24-4-13-2.4(b)" and insert "**IC 24-4-19-12(b)**".

Page 1, delete lines 6 through 15, begin a new paragraph and insert:

"SECTION 2. IC 24-4-13-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014]: **Sec. 0.5. (a) This chapter applies only to a jeweler that is a retail merchant that:**

(1) is located in an area zoned for commercial land use;

(2) is open to the public;

(3) primarily sells jewelry; and

(4) remitted at least twenty thousand dollars ($20,000) of Indiana gross retail and use tax during the immediately preceding calendar year as a result of retail sales of jewelry.

(b) This chapter does not apply to the following:

(1) A precious metal dealer regulated under IC 24-4-19.

(2) A valuable metal dealer (as defined in IC 25-37.5-1-1(b)).

(3) A pawnbroker licensed under IC 28-7-5.

SECTION 3. IC 24-4-19 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014]:

Chapter 19. Precious Metal Dealers

Sec. 1. This chapter does not apply to the following:

(1) A jeweler regulated under IC 24-4-13 concerning used jewelry sales.

(2) A valuable metal dealer (as defined in IC 25-37.5-1-1(b)).

(3) A pawnbroker licensed under IC 28-7-5.

Sec. 2. As used in this chapter, "jewelry" means personal ornaments made of gold, silver, or platinum that may or may not contain precious, semiprecious, or imitation stones.

Sec. 3. As used in this chapter, "permanent place of business" means a fixed premises:

(1) owned by a precious metal dealer; or

(2) leased by a precious metal dealer for a term of at least twelve (12) months;

at which the precious metal dealer purchases or resells precious metal.

C o p y

Sec. 4. As used in this chapter, "person" means an individual, a firm, an association, a limited liability company, a partnership, a joint stock association, a trust, or a corporation.

Sec. 5. (a) As used in this chapter, "precious metal" means:

(1) used jewelry; and

(2) other used articles of personal property that:

(A) are made of gold, silver, or platinum; and

(B) were previously purchased at retail, acquired by gift, or obtained in some other fashion by a consumer.

(b) The term does not include:

(1) mint issued coins that are bought or sold as an investment in rare or precious metals; or

(2) ingots or other industrial residue or byproducts that contain gold, silver, or platinum purchased from manufacturing firms.

Sec. 6. As used in this chapter, "precious metal dealer" means a person who engages in the business of purchasing precious metal for the purpose of reselling the precious metal in any form.

Sec. 7. As used in this chapter, "purchase" means to acquire property in exchange for cash, credit, or other valuable consideration.

Sec. 8. As used in this chapter, "seller" means a consumer or other person who sells precious metal to a precious metal dealer.

Sec. 9. As used in this chapter, "used jewelry" means jewelry previously purchased at retail, acquired by gift, or obtained in some other fashion by a consumer.

Sec. 10. A precious metal dealer who purchases or resells precious metal must comply with this chapter. However, this chapter does not apply to jewelry used by a customer as a trade-in toward the purchase of a new piece of jewelry.

Sec. 11. A precious metal dealer may engage in the business of purchasing or reselling precious metal in Indiana only at a permanent place of business owned or leased by the precious metal dealer.

Sec. 12. (a) A precious metal dealer must satisfy the registration requirements described in subsections (b) and (c) before the precious metal dealer may engage in the business of purchasing or reselling precious metal at a permanent place of business in Indiana.

(b) A precious metal dealer must submit a registration to the secretary of state one (1) time every twelve (12) months that includes the following:

C o p y

(1) The name of the precious metal dealer.

(2) The addresses of all permanent places of business owned or leased by the precious metal dealer in Indiana.

(3) Any other information required by the secretary of state.

(4) A registration fee of one hundred dollars ($100).

(c) A precious metal dealer must submit a registration to a law enforcement agency one (1) time every twelve (12) months for each permanent place of business owned or leased by the precious metal dealer in Indiana as follows:

(1) If the permanent place of business is located in a municipality that maintains a law enforcement agency, the registration shall be submitted to the law enforcement agency of the municipality.

(2) If the permanent place of business is not located in a municipality that maintains a law enforcement agency, the registration shall be submitted to the sheriff of the county in which the permanent place of business is located.

A registration submitted to a law enforcement agency under this subsection must include the name of the precious metal dealer, the address of the permanent place of business, any other information required by the law enforcement agency, and a registration fee of fifty dollars ($50). However, if more than one (1) permanent place of business is registered with the same law enforcement agency, the precious metal dealer must pay a registration fee of fifty dollars ($50) to register all the permanent places of business with the law enforcement agency.

Sec. 13. (a) If a precious metal dealer purchases precious metal from a seller, the precious metal dealer shall:

(1) verify the identity of the seller by use of a government issued photographic identification;

(2) make a copy of the seller's government issued photographic identification; and

(3) take a photograph of the precious metal.

(b) A precious metal dealer shall retain a copy of the:

(1) government issued photographic identification; and

(2) photograph;

described in subsection (a) as required in section 14(e) of this chapter.

Sec. 14. (a) A precious metal dealer shall keep and use in the precious metal dealer's business the books, accounts, and records necessary to determine whether the precious metal dealer is complying with this chapter.

C o p y

(b) A precious metal dealer shall preserve the books, accounts, and records, including cards used in the card system, for at least two (2) years after making the final entry on any purchase recorded.

(c) The precious metal dealer shall keep the books and records so that the business of purchasing for resale of precious metal may be readily separated and distinguished from any other business in which the precious metal dealer is engaged.

(d) If a precious metal dealer, in the conduct of the business, purchases precious metal from a seller, the purchase shall be evidenced by a bill of sale properly signed by the seller verifying the accuracy of the information in the bill of sale. All bills of sale must be in duplicate and must list the following separate items:

(1) The date of sale.

(2) The:

(A) name;

(B) address;

(C) date of birth; and

(D) driver's license number or Social Security number;

of the seller from whom the precious metal was purchased.

(3) The amount of consideration paid for the precious metal.

(4) The:

(A) name of the precious metal dealer; and

(B) address of the permanent place of business where the purchase occurred.

(5) A description of each article of precious metal sold. However, if multiple articles of precious metal of a similar nature are delivered together in one (1) transaction, the description of the articles is adequate if the description contains the quantity of the articles delivered and a physical description of the type of articles delivered, including any unique identifying marks, numbers, names, letters, or special features.

(6) The type of government issued identification used to verify the identity of the seller under section 13 of this chapter, together with the name of the governmental agency that issued the identification and the identification number present on the government issued identification.

(e) If a precious metal dealer purchases precious metal, the precious metal dealer shall retain as part of the books, accounts, and records kept by the precious metal dealer under this section:

(1) the original copy of the bill of sale described in subsection

C o p y

(d); and

(2) the:

(A) copy of the seller's government issued photographic identification; and

(B) photograph of the precious metal;

obtained by the precious metal dealer as required under section 13 of this chapter.

The second copy of the bill of sale shall be delivered to the seller by the precious metal dealer at the time of sale.

(f) The heading on all bill of sale forms must be in boldface type.

Sec. 15. (a) Each day a precious metal dealer purchases precious metal or obtains precious metal as part of a trade-in at a permanent place of business, the precious metal dealer shall report the information described in section 14(d) of this chapter concerning the precious metal to a law enforcement agency as follows:

(1) If the permanent place of business is located in a municipality that maintains a law enforcement agency, the report required under this section shall be made to the law enforcement agency of the municipality.

(2) If the permanent place of business is not located in a municipality that maintains a law enforcement agency, the report required under this section shall be made to the sheriff of the county in which the permanent place of business is located.

(b) The information reported to a law enforcement agency under subsection (a) shall be submitted in an electronic format if requested by the law enforcement agency.

Sec. 16. (a) The precious metal dealer shall make the records and information under section 14 of this chapter available for examination upon the request of a law enforcement agency (as defined in IC 10-13-3-10).

(b) The law enforcement agency under subsection (a) shall determine if:

(1) the records are sufficient; and

(2) the precious metal dealer has made the information reasonably available.

Sec. 17. A precious metal dealer may not purchase precious metal:

(1) from an individual less than eighteen (18) years of age; or

(2) that the precious metal dealer believes or should have reason to believe is stolen property acquired as a result of a

C o p y

crime.

Sec. 18. (a) A precious metal dealer shall hold each article of precious metal purchased by the precious metal dealer for at least ten (10) calendar days after the date the precious metal dealer purchases the precious metal:

(1) at the precious metal dealer's permanent place of business where the purchase occurred; and

(2) separate from other precious metal.

(b) During the ten (10) calendar days that the precious metal dealer must hold precious metal under subsection (a), the precious metal dealer:

(1) may not change the form of the precious metal; and

(2) shall allow a law enforcement officer to inspect the precious metal.

Sec. 19. (a) Records and information generated by a precious metal dealer in the course of business are confidential under IC 5-14-3-4.

(b) A law enforcement officer (as defined in IC 3-6-6-36(a)) may obtain or receive records and information described in subsection (a) relating to the purchase of precious metal for use in investigating crime.

(c) Law enforcement officials may disclose the name and address of the precious metal dealer to an adverse claimant in the case of a dispute over ownership of property in possession of the precious metal dealer.

Sec. 20. A person who knowingly or intentionally violates this chapter commits a Class A misdemeanor.".

Delete pages 2 through 6.

Page 7, delete lines 1 through 18.

Page 7, line 28, after "(B)" insert: "**Used jewelry regulated under IC 24-4-13.**

(C)".

Page 7, line 28, delete "IC 24-4-13." and insert "**IC 24-4-19.**".

Page 7, after line 40, begin a new paragraph and insert:

"SECTION 5. IC 35-51-24-1, AS ADDED BY P.L.70-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 1. The following statutes define crimes in IC 24:

IC 24-1-1-3 (Concerning combinations in restraint of trade).

IC 24-1-2-1 (Concerning combinations in restraint of trade).

IC 24-1-2-2 (Concerning combinations in restraint of trade).

IC 24-1-2-3 (Concerning combinations in restraint of trade).

C o p y

IC 24-1-3-1 (Concerning combinations in restraint of trade).
IC 24-1-4-3 (Concerning combinations in restraint of trade).
IC 24-2-2-3 (Concerning trademarks, trade names, and trade secrets).
IC 24-3-4-15 (Concerning regulated prices).
IC 24-3-4-16 (Concerning regulated prices).
IC 24-3-4-17 (Concerning regulated prices).
IC 24-3-5.4-24 (Concerning regulated prices).
IC 24-4-1-1 (Concerning regulated businesses).
IC 24-4-3-5 (Concerning regulated businesses).
IC 24-4-4-5 (Concerning regulated businesses).
IC 24-4-6-1 (Concerning regulated businesses).
IC 24-4-11-11 (Concerning regulated businesses).
IC 24-4-12-11 (Concerning regulated businesses).
IC 24-4-13-6 (Concerning regulated businesses).
IC 24-4-19-20 (Concerning regulated businesses).
IC 24-16.4-4 (Concerning regulated businesses).
IC 24-4.5-5-301 (Concerning Uniform Consumer Credit Code).
IC 24-4.5-5-302 (Concerning Uniform Consumer Credit Code).
IC 24-4.6-3-4 (Concerning unauthorized solicitation of money using the name of a public safety agency).
IC 24-5-8-19 (Concerning consumer sales).
IC 24-5-12-22 (Concerning consumer sales).
IC 24-5-12-25 (Concerning consumer sales).
IC 24-5-14-10 (Concerning consumer sales).
IC 24-5-16-16 (Concerning consumer sales).
IC 24-5-23.5-9 (Concerning consumer sales).
IC 24-5.5-6-1 (Concerning mortgage rescue protection fraud).
IC 24-6-1-1 (Concerning standard weights and measures).
IC 24-6-3-15 (Concerning standard weights and measures).
IC 24-6-6-11 (Concerning standard weights and measures).
IC 24-7-9-1 (Concerning retail purchase agreements).
IC 24-7-9-2 (Concerning retail purchase agreements).
IC 24-7-9-3 (Concerning retail purchase agreements).
IC 24-8-6-1 (Concerning promotional gifts and contests).
IC 24-9-8-1 (Concerning home loan practices).".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1188 as introduced.)

MESSMER, Chair

Committee Vote: yeas 10, nays 1.

C o p y

COMMITTEE REPORT

Madam President: The Senate Committee on Commerce, Economic Development and Technology, to which was referred House Bill No. 1188, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 1, delete "IC 4-5-1-12" and insert "IC 4-5-1-13".

Page 1, line 3, delete "12." and insert "**13.**".

Page 2, between lines 13 and 14, begin a new line block indented and insert:

"**(4) Coin shops.**

(5) Coin shows.

(6) Flea markets:

(A) where personal property is offered or displayed for sale or exchange by at least ten (10) persons;

(B) held more than six (6) times in any twelve (12) month period; and

(C) that have as a primary characteristic activities that involve a series of sales sufficient in number, scope, and character to constitute a regular course of business.".

Page 2, delete lines 34 through 38, begin a new line block indented and insert:

"**(1) mint issued coins that:**

(A) are bought or sold as an investment in rare or precious metals; or

(B) have a collectable value greater than the face value of the coin;

(2) ingots; or

(3) industrial residue or byproducts that contain gold, silver, or platinum purchased from manufacturing firms.".

Page 3, line 28, delete "($100)." and insert "**($100), to be deposited by the secretary of state into the electronic and enhanced access fund established by IC 4-5-10-5.**".

Page 7, between lines 31 and 32, begin a new paragraph and insert:

"SECTION 5. IC 28-7-5-22, AS AMENDED BY P.L.35-2010, SECTION 177, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 22. (a) The holder of a ticket described in section 21 of this chapter shall be presumed to be the person entitled to redeem the pledge, and, except as provided in ~~subsection~~ **subsections** (b) **and (c),** the pawnbroker shall deliver the pledge to the person presenting the ticket, upon payment of principal, interest, and charge.

C o p y

(b) **Except as provided in subsection (c),** if a local ordinance or other law requires the retention of the pledge for a specific period of time, the pawnbroker shall comply with the local ordinance or other law if the retention period does not exceed ten (10) days.

(c) If the pledge is precious metal (as defined in IC 24-4-19-5), a pawnbroker shall retain the pledge for at least ten (10) calendar days after the date the pawnbroker obtains the pledge:

(1) at the pawnbroker's permanent place of business where the pawnbroker obtained the pledge; and

(2) separate from other precious metal.

SECTION 6. IC 28-7-5-23, AS AMENDED BY P.L.35-2010, SECTION 178, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 23. (a) Except as provided in ~~subsection~~ **subsections** (b) **and (c),** when a ticket, instead of being presented in person, is sent to the pawnbroker by mail, accompanied with a money order for the total amount due and a reasonable fee for shipping and handling, the pawnbroker may securely pack and forward the pledge to the pledger in accordance with the remitter's instructions. If the remittance is insufficient to cover the amount due, the pawnbroker shall either notify the remitter of the amount of the deficiency or send the pledge subject to the payment of shipping charges by the consignee. The pawnbroker's liability for the pledge shall cease upon delivery of the pledge to the carrier or ~~his~~ **the carrier's** agent.

(b) **Except as provided in subsection (c),** if a local ordinance or other law requires the retention of the pledge for a specific period, the pawnbroker shall comply with the local ordinance or other law if the retention period does not exceed ten (10) days.

(c) If the pledge is precious metal (as defined in IC 24-4-19-5), a pawnbroker shall retain the pledge for at least ten (10) calendar days after the date the pawnbroker obtains the pledge:

(1) at the pawnbroker's permanent place of business where the pawnbroker obtained the pledge; and

(2) separate from other precious metal.".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1188 as printed February 8, 2013.)

BUCK, Chairperson

Committee Vote: Yeas 7, Nays 0.

C o p y

SENATE MOTION

Madam President: I move that Engrossed House Bill 1188 be amended to read as follows:

Page 1, line 13, delete "twenty thousand dollars ($20,000)" and insert "**ten thousand dollars ($10,000)**".

(Reference is to EHB 1188 as printed March 27, 2013.)

CHARBONNEAU

Copy