

# SENATE BILL No. 407

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 24-4-19.

**Synopsis:** Secondhand shops. Requires certain persons who purchase secondhand goods for resale to: (1) maintain a log containing the identity of the seller and a description of the secondhand goods; (2) photograph the seller and the secondhand goods; and (3) keep the goods separate from other goods for five business days. Provides that the state police department shall publish on its Internet web site: (1) forms to be used by secondhand dealers to record transactions; (2) a list of secondhand property that is particularly susceptible to theft; and (3) relevant statutes and rules concerning the purchase of secondhand property. Makes a violation of the secondhand goods statute a Class B infraction.

**Effective:** July 1, 2013.

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## Banks

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January 10, 2013, read first time and referred to Committee on Commerce, Economic Development & Technology.

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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.

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## SENATE BILL No. 407



A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

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

1 SECTION 1. IC 24-4-19 IS ADDED TO THE INDIANA CODE AS  
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2013]:

4 **Chapter 19. Secondhand Goods**

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

6 (1) A secondhand goods merchant in a venue specifically  
7 exempted from this chapter by a resolution or ordinance  
8 adopted by the legislative body of a municipality (as defined  
9 in IC 36-1-2-11) or a county.

10 (2) A valuable metal dealer.

11 (3) A pawnbroker.

12 **Sec. 2. A provision of this chapter applies to a secondhand goods**  
13 **merchant or secondhand property transaction specifically**  
14 **regulated by another provision of the Indiana Code (including an**  
15 **architectural salvage material dealer (IC 24-4-16), a dealer in used**  
16 **jewelry (IC 24-4-13), and a dealer in secondhand watches**  
17 **(IC 24-4-3)) unless the provision of this chapter conflicts with a**



1 more specific statute regulating that person or transaction.

2 **Sec. 3. The following definitions apply throughout this chapter:**

3 (1) "Secondhand goods merchant" means a person who  
4 purchases secondhand property for resale. The term does not  
5 include a person who purchases secondhand property for  
6 resale on fewer than five (5) days per calendar year.

7 (2) "Secondhand property" means a used or secondhand item  
8 of tangible personal property. The term does not include  
9 property:

10 (A) sold on consignment; or

11 (B) required to be titled or registered.

12 **Sec. 4. (a) Unless exempted by this chapter, every secondhand**  
13 **goods merchant in Indiana shall enter, on forms provided under**  
14 **section 7 of this chapter by the state police department, for each**  
15 **purchase of secondhand property the following information:**

16 (1) The name and address of the merchant.

17 (2) The date and place of the purchase.

18 (3) The name, address, and age of each person from whom the  
19 secondhand property was purchased.

20 (4) The secondhand goods merchant shall verify the identity  
21 of the person from whom the secondhand property is  
22 purchased by use of a government issued photographic  
23 identification. The merchant shall enter on the form the type  
24 of government issued photographic identification used to  
25 verify the identity of the person from whom the secondhand  
26 property is purchased, together with the:

27 (A) name of the government agency that issued the  
28 photographic identification; and

29 (B) identification number present on the government  
30 issued photographic identification.

31 (5) The motor vehicle license number of the vehicle used to  
32 deliver the secondhand property to the merchant.

33 (6) The price paid for the secondhand property.

34 (7) A description of the secondhand property.

35 (8) The source of the secondhand property.

36 (9) The photograph described in subsection (b).

37 After entering the information required by this subsection, the  
38 secondhand goods merchant shall require the person from whom  
39 the secondhand property is purchased to sign the form and verify  
40 its accuracy.

41 (b) In addition to collecting the information described in  
42 subsection (a), a secondhand goods merchant shall take a

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1 photograph of:

2 (1) each person from whom the secondhand property is being  
3 purchased; and

4 (2) the secondhand property.

5 (c) A secondhand goods merchant shall make and retain a copy  
6 of the government issued photographic identification, described  
7 under subsection (a)(4), used to verify the identity of each person  
8 from whom secondhand property is purchased and the photograph  
9 described in subsection (b). However, a secondhand goods  
10 merchant is not required to make a copy of a government issued  
11 photographic identification used under subsection (a)(4) to verify  
12 the identity of each person from whom secondhand property is  
13 purchased if the secondhand goods merchant has retained a copy  
14 of the person's government issued photographic identification from  
15 a prior purchase from the person by the secondhand goods  
16 merchant.

17 (d) The completed form, the photograph described in subsection  
18 (b), and the copy of the government issued photographic  
19 identification described in subsection (c) shall be kept in a separate  
20 book or register by the secondhand goods merchant and shall be  
21 retained for a period of two (2) years. The book or register shall be  
22 made available for inspection by any law enforcement official at  
23 any time.

24 Sec. 5. The superintendent of the state police department may  
25 adopt rules under IC 4-22-2 necessary to administer and enforce  
26 the provisions and intent of this chapter.

27 Sec. 6. Unless exempted by this chapter, every secondhand goods  
28 merchant shall hold each article of secondhand property purchased  
29 by the secondhand goods merchant for at least five (5) business  
30 days after the date of purchase:

31 (1) at the secondhand goods merchant's regular place of  
32 business; and

33 (2) separate and apart, so that the secondhand property is  
34 readily identifiable from other articles purchased by the  
35 secondhand goods merchant.

36 During this period, a secondhand goods merchant may not sell or  
37 change the form of the secondhand property and shall permit any  
38 law enforcement officer to make inspection of the secondhand  
39 property.

40 Sec. 7. The state police department shall publish the following  
41 on the state police department's Internet web site:

42 (1) The forms described in section 4(a) of this chapter to be

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1           used by a secondhand goods merchant when purchasing  
2           secondhand property.  
3           **(2) A list that describes secondhand property that is**  
4           **particularly susceptible to theft.**  
5           **(3) The:**  
6                 **(A) statutes; and**  
7                 **(B) rules adopted by the superintendent of the state police**  
8                 **department under section 5 of this chapter;**  
9                 **concerning the regulation of secondhand goods merchants.**  
10          **Sec. 8. A secondhand goods merchant who fails to comply with**  
11          **this chapter commits a Class B infraction.**

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