

1 State of Arkansas *As Engrossed: H3/21/13 H4/1/13 H4/4/13*

2 89th General Assembly

# A Bill

3 Regular Session, 2013

HOUSE BILL 1747

4

5 By: Representatives Vines, *Biviano, C. Douglas*

6 By: *Senator B. Sample*

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## For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW CONCERNING PRECIOUS METAL  
10 DEALER LICENSING AND THE PURCHASE OF GOLD, SILVER,  
11 AND OTHER PRECIOUS METALS; AND FOR OTHER PURPOSES.

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## Subtitle

15

TO AMEND THE LAW CONCERNING PRECIOUS

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METAL DEALER LICENSING AND THE PURCHASE

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OF GOLD, SILVER, AND OTHER PRECIOUS

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METALS.

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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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23 SECTION 1. Arkansas Code § 17-23-101 is amended to read as follows:

24 17-23-101. Definitions.

25 As used in this chapter:

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(1)(A) "Dealer" means a person, corporation, partnership, or  
27 other entity that engages in the business of purchasing precious metals or  
28 precious items, or both, for the purpose of reselling the items in any form.

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(B) "Dealer" does not include a person, corporation,  
30 partnership, or other entity engaged in a business that is exempted under §  
31 17-23-102;

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(2) "Permanent place of business" means a fixed premises either  
33 owned by ~~the dealer~~ a person or leased by ~~the dealer~~ a person for a period of  
34 at least one (1) year and located in the State of Arkansas;

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(3) "Person" means any individual, partnership, corporation,  
36 association, or other business entity;



1 (4) "Precious items" means precious or semiprecious stones or  
2 pearls whether mounted or unmounted;

3 (5) "Precious metals" means an article made, in whole or in  
4 part, of gold, silver, platinum, or a combination of gold, silver, or  
5 platinum;

6 (6) "Purchase" means the acquisition of a precious metal or a  
7 precious item, or both, for a consideration of cash, goods, or other precious  
8 metals or precious items; and

9 (7) "Silver" means sterling silver.

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11 SECTION 2. Arkansas Code § 17-23-103 is amended to read as follows:  
12 17-23-103. Penalties.

13 ~~(a) Every person who shall violate the provisions of this chapter and~~  
14 ~~be found guilty shall be fined not more than five hundred dollars (\$500) or~~  
15 ~~imprisoned for not more than one (1) year, or both. If the value of the~~  
16 ~~property involved in a transaction is five hundred dollars (\$500) or less, a~~  
17 ~~person who violates this chapter is guilty of a Class A misdemeanor.~~

18 (b) If the value of the property involved in a transaction ~~which is in~~  
19 ~~violation of this chapter exceeds~~ is greater than five hundred dollars  
20 (\$500), ~~a person convicted of a violation shall be fined not more than two~~  
21 ~~thousand dollars (\$2,000) or imprisoned for not more than three (3) years, or~~  
22 ~~both~~ a person who violates this chapter is guilty of a Class D felony.

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24 SECTION 3. Arkansas Code § 17-23-201 is amended to read as follows:  
25 17-23-201. Registration required.

26 (a) A person shall not engage in the business of purchasing precious  
27 metals or precious items from the general public for the purpose of reselling  
28 the precious metals or precious items in any condition without first  
29 registering with the local law enforcement agency in the jurisdiction ~~in~~  
30 ~~which the business or the seller is located~~ as provided under this section  
31 and in the manner provided under § 17-23-202.

32 (b) If the person has a permanent place of business in the State of  
33 Arkansas and the transaction is being conducted at the person's permanent  
34 place of business, the person shall register with the local law enforcement  
35 agency in the jurisdiction of the permanent place of business.

36 (c) A person shall register with the local law enforcement agency in

1 the jurisdiction where the transaction occurs if the person:

2 (1) Has a permanent place of business in the State of Arkansas  
3 and the transaction is being conducted from a location that is different from  
4 the person's permanent place of business; or

5 (2) Is a nonresident that enters into an association or  
6 partnership with a person that is required to register with the local law  
7 enforcement agency having jurisdiction under subdivision (c)(1) of this  
8 section.

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10 SECTION 4. Arkansas Code § 17-23-202 is amended to read as follows:

11 17-23-202. Registration.

12 (a)(1) A dealer shall register with local law enforcement in writing  
13 and on the form prescribed by the local law enforcement agency at least  
14 twenty-four (24) hours ~~prior to~~ before conducting business in that  
15 jurisdiction.

16 (2) The registration shall include:

17 (A)(i) The name of the registrant.

18 (ii) If the registrant is a partnership or  
19 association, the name of each member of the partnership or association.

20 (iii) If the registrant is a corporation, the name  
21 of each officer and director and of the principal owner or owners of the  
22 issued and outstanding capital stock in the corporation;

23 (B) The residence and business address for each person  
24 listed under subdivision (a)(2)(A) of this section;

25 (C) The city or town with the street and number where the  
26 business is to be conducted;

27 (D) A statement that the registrant has:

28 (i) A bona fide established permanent place of  
29 business used primarily for the purchase of precious metals and precious  
30 items; and

31 (ii) A telephone number listed in the name of the  
32 business; and

33 (E) The name, address, and telephone number of the ~~person~~  
34 designated to receive legal process registered agent for service of process  
35 as provided under the Model Registered Agents Act, § 4-20-101 et seq., in the  
36 event of the commencement of any legal action in any court against the

1 registrant.

2 (b) A nonresident applicant shall provide the principal place of  
3 business without the state and ~~such further~~ additional information as the  
4 ~~department~~ local law enforcement agency in the jurisdiction in which the  
5 business or the seller is conducting business may require for the  
6 administration of its duties under this chapter to include without  
7 limitation:

8 (1) Photographs of each item purchased;

9 (2) Seller identification, including the same proof and  
10 limitations under § 17-23-203;

11 (3) Disclosures, including the same disclosures required under §  
12 17-23-205;

13 (4) Records, including the same records required under § 17-23-  
14 206; and

15 (5) Holding periods, including the same holding periods under §  
16 17-23-207.

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18 SECTION 5. Arkansas Code § 17-23-208 is repealed.

19 ~~17-23-208. Disposition of funds.~~

20 ~~All fees collected under the provisions of this chapter shall be~~  
21 ~~classified as special revenues and shall be deposited in the Department of~~  
22 ~~Arkansas State Police Fund.~~

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24 */s/Vines*

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27 **APPROVED: 04/12/2013**

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