

HOUSE SUMMARY OF SENATE AMENDMENTS

House Bill No. 188 by Representative Ponti

SECONDHAND DEALERS: Requires payment by check for precious metals

Synopsis of Senate Amendments

1. Includes currency and coinage regardless of the issuing governmental entity in the definition of "precious metal object" for purposes of prohibiting a cash transaction for purchase. Requires payment be made by check payable to the seller.

Digest of Bill as Finally Passed by Senate

Present law provides that every person in this state engaged in the business of buying, selling, trading in, or otherwise acquiring or disposing of junk or used or secondhand property is a secondhand dealer. Present law further provides that anyone, other than a nonprofit entity, who buys, sells, trades in, or otherwise acquires or disposes of junk or used or secondhand property more frequently than once per month from any other person, other than a nonprofit entity, shall be deemed as being engaged in the business of a secondhand dealer.

Proposed law retains present law.

Proposed law defines "precious metal object" as one of the following:

- (1) A precious metal containing gold, iridium, palladium, platinum, or silver.
- (2) A precious or semiprecious stone or a pearl, that is or appears to be attached to or inlaid in a precious metal or alloy of a precious metal.
- (3) An object, including currency or coinage regardless of the issuing governmental entity, that is composed of a precious metal or precious metal alloy if at least 25% of the object's weight is precious metal or the market value of the metal in the object lies primarily in the precious metal component.

Present law prohibits a secondhand dealer from entering into any cash transactions in payment for the purchase of copper. Present law further requires payment for copper to be made in the form of a check issued to the seller of the metal and mailed to the address recorded on the photo identification of the seller no earlier than five business days after the date of the transaction.

Proposed law retains present law.

Proposed law prohibits a secondhand dealer from entering into any cash transactions in payment for the purchase of a precious metal object. Proposed law further requires payment for a precious metal object to be made in the form of a check issued to the seller of the metal.

Present law prohibits a secondhand dealer from entering into any cash transactions in excess of \$300 for the purchase of metal property other than copper. Payments in excess of \$300 for metals other than copper are to be made in the form of a check made payable to the seller of the metal and may be tendered to the seller at the time of the transaction. The secondhand dealer, at his discretion, may make payment by either cash or other method for transactions of \$300 or less for all metals other than copper.

Proposed law prohibits a secondhand dealer from entering into any cash transactions in excess of \$300 for the purchase of metal property other than copper or a precious metal

object. Payments in excess of \$300 for metals other than copper or a precious metal object are to be made in the form of a check made payable to the seller of the metal and may be tendered to the seller at the time of the transaction. The secondhand dealer, at his discretion, may make payment by either cash or other method for transactions of \$300 or less for all metals other than copper or a precious metal object.

(Amends R.S. 37:1864.3(A)(2); Adds R.S. 37:1861(A)(8) and 1864.3(A)(3))