

Regular Session, 2013

HOUSE BILL NO. 188

BY REPRESENTATIVE PONTI

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

SECONDHAND DEALERS: Requires payment by check for precious metals

1 AN ACT

2 To amend and reenact R.S. 37:1864.3(A)(2) and to enact R.S. 37:1861(A)(8) and
3 1864.3(A)(3), relative to secondhand dealers; to define precious metal object; to
4 prohibit the payment of cash by secondhand dealers for precious metal objects; and
5 to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 37:1864.3(A)(2) is hereby amended and reenacted and R.S.
8 37:1861(A)(8) and 1864.3(A)(3) are hereby enacted to read as follows:

9 §1861. "Secondhand dealer" defined

10 A.

11 * * *

12 (8) For the purposes of this Part, "precious metal object" means one of the
13 following:

14 (a) A precious metal containing gold, iridium, palladium, platinum, or silver.

15 (b) A precious or semiprecious stone or a pearl, that is or appears to be
16 attached to or inlaid in a precious metal or alloy of a precious metal.

17 (c) An object that is composed of a precious metal or precious metal alloy
18 if at least twenty-five percent of the object's weight is precious metal or the market
19 value of the metal in the object lies primarily in the precious metal component.

20 * * *

- (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 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))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Commerce to the original bill.

1. Deleted requirement that a check be mailed to the address recorded on the photo identification of the seller no earlier than five business days after the date of the transaction.