

FIRST REGULAR SESSION

SENATE BILL NO. 442

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR WIELAND.

Read 1st time February 25, 2019, and ordered printed.

ADRIANE D. CROUSE, Secretary.

1737S.02I

AN ACT

To repeal section 407.292, RSMo, and to enact in lieu thereof one new section relating to buyers of precious metals, with penalty provisions.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 407.292, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 407.292, to read as follows:

407.292. 1. As used in this section, the following words and terms have
2 the following meanings, unless the context clearly indicates otherwise:

3 (1) "Business combination", the same meaning as such term is defined in
4 section 351.459;

5 (2) "Buyer of gold, silver, or platinum" or "buyer", an individual,
6 partnership, association, corporation, or business entity, who or which purchases
7 gold, silver, or platinum from the general public for resale or refining, or an
8 individual who acts as agent for the individual, partnership, association,
9 corporation, or business entity for the purchases. The term does not include
10 financial institutions licensed under federal or state banking laws, the purchaser
11 of gold, silver, or platinum who purchases from a seller seeking a trade-in or
12 allowance, and the purchaser of gold, silver, or platinum for his or her own use
13 or ownership and not for resale or refining;

14 (3) "Gold", items containing or being of gold including, but not limited to,
15 jewelry. The term does not include coins, ingots, or bullion or articles containing
16 less than five percent gold by weight;

17 (4) "Platinum", items containing or being of platinum, but shall only
18 include jewelry. The term does not include coins, ingots, bullion, or catalytic
19 converters or articles containing less than five percent platinum by weight;

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

20 (5) "Silver", items containing or being of silver including, but not limited
21 to, jewelry. The term does not include coins, ingots, bullion, or photographic film
22 or articles containing less than five percent silver by weight;

23 (6) "Weighing device", shall only include a device that is inspected and
24 approved by the weight and measures program within the department of
25 agriculture.

26 2. The buyer shall completely, accurately, and legibly record and
27 photograph every transaction on a form provided by and prepared by the
28 buyer. The record of every transaction shall include the following:

29 (1) A copy of the driver's license or photo identification issued by the state
30 or by the United States government or agency thereof to the person from whom
31 the material is obtained;

32 (2) The name, current address, birth date, sex, and a photograph of the
33 person from whom the material is obtained, if not included or are different from
34 the identification required in subdivision (1) of this subsection;

35 (3) **The fingerprints of the person from whom the material is**
36 **obtained;**

37 (4) The seller shall be required to sign the form on which is recorded the
38 information required by this section;

39 [(4)] (5) An accurate description **and photograph** of the property
40 purchased;

41 [(5)] (6) The time and date of the transaction shall be recorded at the
42 time of the transaction.

43 Records of transactions shall be maintained by the buyer in gold, silver, or
44 platinum for a period of [one year] **ten years** and shall be available for
45 inspection by any law enforcement official of the federal government, state,
46 municipality, or county. No buyer shall accept any premelted gold, silver, or
47 platinum, unless it is part of the design of an item of jewelry. Each item of gold,
48 silver, or platinum purchased by a buyer in gold, silver, or platinum shall be
49 retained in an unaltered condition for [five] **ninety** full [working] days **that the**
50 **buyer is open to the public.** It shall be the buyer's duty to inform law
51 enforcement if the buyer has any reason to believe an item purchased may have
52 been obtained illegally by a seller.

53 3. Records of buyer transactions [may] **shall** be made available, upon
54 request, to law enforcement officials, governmental entities, and any other
55 concerned entities or persons **at the location where the transaction**

56 **occurred. All buyers shall also transmit, on a monthly basis, all records**
57 **to all law enforcement entities that operate within the county in which**
58 **the buyer is located and the Missouri state highway patrol.**

59 4. When a purchase is made from a minor, the written authority of the
60 parent, guardian, or person in loco parentis authorizing the sale shall be attached
61 and maintained with the record of transaction described in subsection 2 of this
62 section.

63 5. (1) When a weighing device is used to purchase gold, silver, or
64 platinum, there shall be posted, on a conspicuous sign located close to the
65 weighing device, a statement of prices for the gold, silver, or platinum being
66 purchased as a result of the weight determination.

67 (2) The statement of prices shall include, but not be limited to, the
68 following in terms of the price per troy ounce:

69 (a) The price for twenty-four karat, eighteen karat, fourteen karat, and
70 ten karat gold;

71 (b) The price for pure silver and sterling silver;

72 (c) The price for platinum.

73 (3) When the weight determination is expressed in metric units, a
74 conversion chart to troy ounces shall be prominently displayed so as to facilitate
75 price comparison. The metric equivalent of a troy ounce is 31.10348 grams.

76 6. A weighing device used in the purchase of gold, silver, or platinum
77 shall be positioned in such a manner that its indications may be accurately read
78 and the weighing operation observed from a position which may be reasonably
79 assumed by the buyer and the seller. A verbal statement of the result of the
80 weighing shall be made by the person operating the device and recorded on the
81 buyer's record of transaction.

82 7. **No seller of gold, silver, or platinum shall be eligible to sell**
83 **such gold, silver, or platinum to a buyer if such seller has ever been**
84 **previously convicted of the offense of burglary under chapter 569, or**
85 **the offenses of robbery or stealing under chapter 570.**

86 8. The purchase of an item of gold, silver, or platinum by a buyer in gold,
87 silver, or platinum not in accordance with this section shall constitute a violation
88 of this section and the buyer may be subject to a fine not [to exceed] **less than**
89 **one thousand dollars. If a buyer violates the provisions of this section**
90 **more than twice, such buyer shall no longer be eligible to operate as a**
91 **buyer.**

92 [8.] 9. This section shall not apply to a [pawnbroker, as defined in section
93 367.011, or a] scrap metal dealer, as provided in sections 407.300 to 407.305.

94 10. The department of public safety shall create a database that
95 a buyer of gold, silver, or platinum, including a pawnbroker, as defined
96 in section 367.011, shall upload information to within twenty-four hours
97 of purchasing gold, silver, or platinum. The information uploaded shall
98 include a photo of the item purchased and information about the seller
99 set forth in subdivisions (1) to (6) of subsection 2 of this
100 section. Members of the public shall be able to access the database to
101 view pictures of items purchased by a buyer. The personally
102 identifiable information of the seller and the buyer shall be redacted
103 from the publicly accessible portion of the database and shall only be
104 viewable by law enforcement agencies and the buyer.

105 11. A fee shall be applied to each transaction for the purchase of
106 gold, silver, or platinum, which a buyer shall remit to the department
107 of public safety to fund the creation and administration of the database
108 created pursuant to subsection 10 of this section. The department shall
109 set the fee at a level not to exceed the costs of creating and
110 administering the database.

111 12. The department of public safety shall promulgate rules for
112 the creation and administration of the database pursuant to subsection
113 10 of this section and to determine the fee set forth in subsection 11 of
114 this section. Any rule or portion of a rule, as that term is defined in
115 section 536.010 that is created under the authority delegated in this
116 section shall become effective only if it complies with and is subject to
117 all of the provisions of chapter 536, and, if applicable, section
118 536.028. This section and chapter 536 are nonseverable and if any of
119 the powers vested with the general assembly pursuant to chapter 536,
120 to review, to delay the effective date, or to disapprove and annul a rule
121 are subsequently held unconstitutional, then the grant of rulemaking
122 authority and any rule proposed or adopted after August 28, 2019, shall
123 be invalid and void.

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