

**PROPOSED AMENDMENTS TO  
HOUSE BILL 4108**

1 On page 1 of the printed bill, delete lines 4 through 30 and delete pages  
2 2 and 3 and insert:

3 **“SECTION 1. As used in sections 1 to 4 of this 2012 Act:**

4 **“(1) ‘Item of precious metal’ means an item that consists of or in-**  
5 **corporates gold in eight karat or greater purity, silver, platinum or**  
6 **palladium. ‘Item of precious metal’ does not include dental gold, un-**  
7 **refined metal ore, gold or silver coins or bullion in any form.**

8 **“(2) ‘Precious metal secondhand dealer’:**

9 **“(a) Means a person engaged in precious metal secondhand dealing;**  
10 **and**

11 **“(b) Does not include:**

12 **“(A) A pawnbroker licensed under ORS chapter 726 who engages**  
13 **exclusively in pledge loans, as defined in ORS 726.010;**

14 **“(B) A manufacturer of items of precious metal;**

15 **“(C) A person engaged in commercial or industrial scrap metal re-**  
16 **cycling operations;**

17 **“(D) A person primarily engaged in business through the Internet;**  
18 **or**

19 **“(E) A person primarily engaged in purchasing for resale newly**  
20 **manufactured items of precious metal. For purposes of this subpara-**  
21 **graph, a person is primarily engaged in purchasing newly manufac-**  
22 **tured items of precious metal if the person’s inventory of items of**

1 **precious metal for resale consists exclusively of:**

2 **“(i) Newly manufactured items of precious metal acquired from a**  
3 **manufacturer; or**

4 **“(ii) Items described in sub-subparagraph (i) of this subparagraph**  
5 **and used items of precious metal acquired for trade-in value as part**  
6 **of retail sales of newly manufactured items of precious metal by the**  
7 **person.**

8 **“(3) ‘Precious metal secondhand dealing’ means soliciting, receiv-**  
9 **ing, purchasing, trading or accepting delivery of items of precious**  
10 **metal from individuals in return for money or other consideration.**

11 **“(4) ‘Seller’ means the other party to a transaction with a precious**  
12 **metal secondhand dealer.**

13 **“(5) ‘Temporary precious metal secondhand dealer’ means a pre-**  
14 **cious metal secondhand dealer who conducts operations at one or**  
15 **more locations in this state for no more than five consecutive days**  
16 **at any one location.**

17 **“(6) ‘Transaction’:**

18 **“(a) Means a purchase, consignment, bailment, barter or trade of**  
19 **one or more items of precious metal by a precious metal secondhand**  
20 **dealer from an individual who is not engaged in the business of selling**  
21 **newly manufactured items of precious metal.**

22 **“(b) Does not include:**

23 **“(A) Gifts or other transfers of property unsupported by consider-**  
24 **ation; or**

25 **“(B) Business-to-business purchases or other transfers.**

26 **“SECTION 2. (1) A precious metal secondhand dealer in this state**  
27 **shall maintain the following records with respect to each transaction**  
28 **conducted by the dealer:**

29 **“(a) The full name, date of birth, current telephone number, cur-**  
30 **rent address and signature of the seller;**

1       **“(b) The type and identification number of a currently valid**  
2 **government-issued photo identification that has been issued to the**  
3 **seller;**

4       **“(c) A physical description of the seller; and**

5       **“(d) An identifying description or a digital photograph of each item**  
6 **of precious metal that is the subject of the transaction.**

7       **“(2) A precious metal secondhand dealer in this state shall:**

8       **“(a) Maintain the records described in subsection (1) of this section**  
9 **for a period of at least one year after the date of the transaction; and**

10       **“(b)(A) Maintain the records described in subsection (1) of this**  
11 **section at the location at which the dealer is engaged in precious**  
12 **metal secondhand dealing and allow inspection of the records by law**  
13 **enforcement officers upon request made during regular business**  
14 **hours; or**

15       **“(B) If the dealer is a temporary precious metal secondhand dealer,**  
16 **maintain the records, or electronic copies of the records, at the cur-**  
17 **rent location where the dealer is engaged in precious metal second-**  
18 **hand dealing and allow inspection of the records or electronic copies**  
19 **by law enforcement officers upon request made during regular busi-**  
20 **ness hours.**

21       **“(3) A precious metal secondhand dealer shall provide copies of re-**  
22 **ords described in subsection (1) of this section if requested by law**  
23 **enforcement officers.**

24       **“(4) A precious metal secondhand dealer in this state shall retain**  
25 **any item of precious metal acquired in a transaction for a period of**  
26 **seven days after the date of the transaction before the dealer may**  
27 **dispose of the item. The dealer shall keep items of precious metal**  
28 **subject to retention under this subsection segregated from other**  
29 **items, but at the location where the transaction occurred. The dealer**  
30 **shall allow inspection of items of precious metal subject to retention**

1 under this subsection if requested by law enforcement officers.

2 “(5) Notwithstanding subsection (4) of this section, a temporary  
3 precious metal secondhand dealer may retain items subject to re-  
4 tention under subsection (4) of this section at a location of the dealer’s  
5 choosing in this state, but must provide an item of precious metal to  
6 a requesting law enforcement officer within 24 hours of the officer’s  
7 request for the item. Any cost incurred in providing a law enforcement  
8 officer with a requested item under this subsection shall be borne by  
9 the dealer.

10 **“SECTION 3.** (1) Sections 1 to 4 of this 2012 Act do not apply within  
11 the jurisdiction of any city or county that the Secretary of State has  
12 identified as having in effect an ordinance that imposes on precious  
13 metal secondhand dealers:

14 “(a) Substantially equivalent or more stringent record keeping re-  
15 quirements for transactions; and

16 “(b) Equal or longer holding periods for items of precious metal  
17 that are acquired by precious metal secondhand dealers through  
18 transactions.

19 “(2) The secretary shall maintain on the secretary’s website a list  
20 of cities and counties in which sections 1 to 4 of this 2012 Act do not  
21 apply.

22 “(3) Each city or county that has an ordinance in effect that the  
23 city or county determines is as described in subsection (1) of this sec-  
24 tion shall notify the secretary in writing and shall include a copy of  
25 the ordinance or an electronic link to the ordinance. If the city or  
26 county amends or repeals the ordinance, the city or county shall no-  
27 tify the secretary of the amendment or repeal and, in the case of an  
28 amendment, the city or county determination of whether the ordi-  
29 nance as amended still is as described in subsection (1) of this section.

30 **“SECTION 4.** A city or county in this state may not require a pre-

1 **cius metal secondhand dealer in this state who is also a pawnbroker**  
2 **licensed under ORS chapter 726 to provide both a detailed description**  
3 **of an item of precious metal acquired through a transaction and a**  
4 **photograph of the acquired item.**

5 **“SECTION 5. (1) A person that violates the provisions of section 2**  
6 **of this 2012 Act commits a Class C violation.**

7 **“(2) Notwithstanding subsection (1) of this section, a person that**  
8 **violates the provisions of section 2 of this 2012 Act three or more times**  
9 **commits a Class A violation for each subsequent violation.**

10 **“(3) Notwithstanding subsections (1) and (2) of this section, a person**  
11 **that violates the provisions of section 2 of this 2012 Act six or more**  
12 **times is subject to a fine of not less than \$5,000 for each subsequent**  
13 **violation.”.**

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