

HOUSE BILL No. 5835

September 18, 2014, Introduced by Rep. Callton and referred to the Committee on Financial Services.

A bill to amend 1981 PA 95, entitled "The precious metal and gem dealer act," by amending sections 4 and 8 (MCL 445.484 and 445.488), section 4 as amended by 1990 PA 34, and by adding section 4a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) A dealer shall maintain a permanent record of
2 each transaction, on ~~A~~ record of transaction forms provided for
3 **FORM DESCRIBED** in subsection ~~(6)~~, **(5)**, legibly written in ink in
4 the English language, ~~. Each record of transaction form shall be~~
5 ~~filled out in quadruplicate~~ **AND COMPLETED** by the dealer or agent
6 or employee of the dealer. ~~One copy of the form shall go to the~~
7 ~~appropriate police agency or sheriff's department pursuant to~~
8 ~~subsection (3);~~ **THE DEALER SHALL PROVIDE** 1 copy shall go ~~OF THE~~
9 **FORM** to the customer ~~;~~ and ~~1 copy shall be retained by the dealer~~

1 pursuant ~~RETAIN 1 COPY, SUBJECT~~ to subsection ~~(5)~~ **(4)**. At the
2 time a dealer receives or purchases a precious item, the dealer
3 or the agent or employee of the dealer shall ~~insure~~ **ENSURE** that
4 the following information is recorded accurately on a record of
5 transaction form:

6 (a) The ~~dealer~~ **DEALER'S NAME, ADDRESS, AND** certificate of
7 registration number.

8 (b) A general description of the precious item or precious
9 items received or purchased, including the type of metal or
10 precious gem. In the case of watches, the description shall
11 contain the name of the maker and the number of both the works
12 and the case. In the case of jewelry, all letters and marks
13 inscribed on the jewelry shall be included in the description.

14 (c) The date **AND TIME** of the transaction **AND THE TRANSACTION**
15 **NUMBER DESCRIBED IN SUBSECTION (2)**.

16 (d) The name of the ~~person~~ **INDIVIDUAL** conducting the
17 transaction.

18 (e) The **FIRST AND LAST** name, date of birth, driver's license
19 number or state of Michigan personal identification card number,
20 and street and house number of the customer, together with a
21 legible imprint of the right thumb of the customer, or if that is
22 not possible, of the left thumb or a finger of the customer.
23 However, the thumbprint or fingerprint ~~shall~~ **IS** only ~~be~~ required
24 on the record of transaction form retained by the dealer. The
25 **DEALER SHALL MAKE THE** thumbprint or fingerprint ~~shall be made~~
26 available to a police agency during the course of a police
27 investigation involving a precious item or items described on the

1 record of transaction. After a period of 1 year from the date of
 2 the record of transaction, if a police investigation concerning a
 3 precious item or items described on the record of transaction has
 4 not occurred, the dealer and any police agency or sheriff's
 5 department ~~holding~~ **THAT HOLDS** a copy of the record of transaction
 6 shall destroy, and not keep a permanent record of, the record of
 7 transaction. A dealer ~~who~~ **THAT** goes out of business or changes
 8 ~~his or her~~ **ITS** business address to another local jurisdiction
 9 either within or out of this state shall transmit the records of
 10 all transactions, made by the dealer within 1 year before ~~his or~~
 11 ~~her closing or moving,~~ **THE DEALER CLOSSES OR MOVES,** to the local
 12 police agency.

13 (f) The price ~~to be~~ paid by the dealer for the precious item
 14 or precious items.

15 (g) The form of payment made to the customer; check, money
 16 order, bank draft, or cash. If the payment is by check, money
 17 order, or bank draft, the dealer shall indicate the number of the
 18 check, money order, or bank draft.

19 (h) The customer's signature.

20 (2) ~~The~~ **A DEALER SHALL NUMBER EACH** record of ~~each~~ **A**
 21 transaction ~~shall be numbered~~ consecutively, commencing with the
 22 number 1 and the calendar year.

23 ~~—— (3) Within 48 hours after receiving or purchasing a precious~~
 24 ~~item, the dealer shall send a copy of the record of transaction~~
 25 ~~form to the local police agency and, if the record of transaction~~
 26 ~~form indicates that the customer resides outside the jurisdiction~~
 27 ~~of the local police agency, shall send a copy of the record of~~

1 ~~transaction form to the police agency of the city, village, or~~
2 ~~township in which the customer resides as set forth on the record~~
3 ~~of transaction, or, if that city, village, or township does not~~
4 ~~have a police agency, to the sheriff's department of the county~~
5 ~~in which the customer resides as set forth on the record of~~
6 ~~transaction. The record of transaction forms received by a police~~
7 ~~agency or sheriff's department shall not be open to inspection by~~
8 ~~the general public. Each police agency or sheriff's department~~
9 ~~holding record of transaction forms shall be responsible for~~
10 ~~insuring the confidentiality of the record of transaction forms~~
11 ~~and insuring that the record of transaction forms are used only~~
12 ~~for the purpose for which they were received.~~

13 (3) ~~(4)~~ **The A DEALER SHALL MAKE EACH** record of transaction
14 ~~forms of a dealer FORM~~ and each precious item ~~received shall be~~
15 **IT RECEIVES** open to an inspection by the county prosecuting
16 attorney, the local police agency, the police agency or sheriff's
17 department of the local governmental unit in which the customer
18 resides, and the Michigan state police, at all times during the
19 ordinary business hours of the dealer. As a condition of doing
20 business, a dealer is considered to have given consent to the
21 inspection ~~prescribed by~~ **DESCRIBED IN** this subsection. The record
22 of transaction forms of a dealer ~~shall~~ **ARE** not ~~be~~ open to
23 inspection by the general public.

24 (4) ~~(5)~~ Except as otherwise provided in this section, **A**
25 **DEALER SHALL RETAIN** each record of a transaction ~~shall be~~
26 ~~retained by the dealer for not less than~~ **AT LEAST** 1 year after
27 the transaction to which the record pertains.

1 (5) ~~(6)~~—The form of the record of transaction shall have an
2 8-1/2 by 11 inch size and shall be as follows:

3 (DEALER'S NAME AND ADDRESS)

4 "Record of Transaction

5 Dealer Certificate # _____ # _____
6 (Printed on (Transaction number
7 the form) printed on the form)

8 (1) Description of Property - _____
9 _____
10 _____
11 _____
12 _____

13 (2) _____, 1920 (3) _____
14 (Date AND TIME) (Name of Dealer/Employee)

15 (4) _____, _____ 19__
16 (Name of Customer) (Date of Birth)

17 _____/
18 (Driver's license No./ (Street Address)
19 Mich. Personal ID Number)

20 _____
21 (City & State) (Zip)

22 (5) _____
23 (Price Paid) (County of Residence)

24 (6) _____
25 (Check no., bank draft
26 no., money order no., or
27 cash)

28 _____
29 (Name of police agency of city, village, or township
30 in which customer resides)

31
32
33 Thumbprint _____"
34 (Signature of Customer)

35 (6) ~~(7)~~—As used in this section, "customer" means the ~~person~~

1 INDIVIDUAL from whom the dealer or the agent or employee of the
2 dealer receives or purchases a precious item.

3 SEC. 4A. (1) WITHIN 48 HOURS AFTER A TRANSACTION IN WHICH IT
4 RECEIVES OR PURCHASES A PRECIOUS ITEM, A DEALER SHALL
5 ELECTRONICALLY TRANSMIT THE FOLLOWING INFORMATION TO THE
6 DEPARTMENT, IN A FORMAT DETERMINED BY THE DEPARTMENT, FOR
7 INCLUSION IN THE DATABASE:

8 (A) A DESCRIPTION OF THE PRECIOUS ITEM THAT INCLUDES THE
9 INFORMATION DESCRIBED IN SECTION 4(1)(B).

10 (B) IF APPLICABLE, THE SERIAL NUMBER OR MODEL NUMBER OF THE
11 PRECIOUS ITEM.

12 (C) THE PURCHASE PRICE OF THE PRECIOUS ITEM.

13 (D) THE DEALER'S NAME AND ADDRESS.

14 (E) THE DATE AND TIME OF THE TRANSACTION.

15 (F) THE TRANSACTION NUMBER.

16 (G) THE CUSTOMER'S DATE OF BIRTH; OPERATOR'S LICENSE NUMBER
17 OR OTHER IDENTIFICATION NUMBER; STREET ADDRESS, INCLUDING CITY,
18 VILLAGE, OR TOWNSHIP OF RESIDENCE, STATE, AND ZIP CODE; AND
19 COUNTY OF RESIDENCE.

20 (H) THE NUMBER OF THE DEALER'S CHECK, BANK DRAFT, OR MONEY
21 ORDER OR THE NOTATION "CASH" IF THE DEALER PAID THE PURCHASE
22 PRICE IN CASH.

23 (I) THE CUSTOMER'S THUMBPRINT.

24 (2) BY JULY 1, 2015, EACH DEALER SHALL IMPLEMENT ANY
25 SOFTWARE THAT THE DEPARTMENT DETERMINES IS NECESSARY TO
26 ADMINISTER THE COLLECTION OF INFORMATION REQUIRED UNDER THIS
27 SECTION.

1 (3) A DEALER SHALL PAY AN ANNUAL FEE OF NOT MORE THAN
 2 \$250.00 FOR EACH OF ITS REGISTERED LOCATIONS FOR THE
 3 IMPLEMENTATION AND MAINTENANCE OF THE DATABASE. THE DEPARTMENT
 4 SHALL DETERMINE THE SPECIFIC AMOUNT OF THE FEE. THE TREASURER OF
 5 EACH LOCAL GOVERNMENTAL UNIT SHALL COLLECT THE FEE ON BEHALF OF
 6 THE DEPARTMENT UNDER SUBSECTION (4).

7 (4) ANNUALLY, A DEALER SHALL PAY THE DATABASE FEE TO THE
 8 TREASURER OF THE LOCAL GOVERNMENTAL UNIT. THE TREASURER SHALL
 9 FORWARD THE DATABASE FEE TO THE DEPARTMENT ON RECEIPT.

10 (5) THE TREASURER OF A GOVERNMENTAL UNIT THAT COLLECTS A
 11 DATABASE FEE ON BEHALF OF THE DEPARTMENT MAY CHARGE AND COLLECT A
 12 FEE FOR PROCESSING THE DATABASE FEE. THE AMOUNT OF A PROCESSING
 13 FEE UNDER THIS SUBSECTION SHALL NOT EXCEED \$50.00.

14 (6) AS USED IN THIS SECTION:

15 (A) "DATABASE" MEANS THE STATEWIDE ELECTRONIC DATABASE
 16 IMPLEMENTED AND MAINTAINED BY THE DEPARTMENT UNDER SECTION 6 OF
 17 1917 PA 273, MCL 446.206.

18 (B) "DATABASE FEE" MEANS THE FEE DESCRIBED IN SUBSECTION
 19 (3).

20 (C) "DEPARTMENT" MEANS THE DEPARTMENT OF STATE POLICE.

21 Sec. 8. (1) A dealer ~~who~~**THAT** knowingly violates section
 22 3(7), 3(8), 4(1)(e), 4(3), 4(4), or ~~4(5)~~**4A** is guilty of a
 23 misdemeanor ~~—~~punishable by imprisonment for not more than 1 year
 24 ~~—~~or a fine of \$1,000.00, or both.

25 (2) A dealer ~~who~~**THAT** violates section 3(7), 3(8), 4(1)(e),
 26 4(3), 4(4), or ~~4(5)~~**4A** a subsequent time is guilty of a felony ~~—~~
 27 punishable by imprisonment for not more than 2 years ~~—~~or a fine

1 of \$5,000.00, or both.

2 Enacting section 1. This amendatory act takes effect January
3 1, 2015.

4 Enacting section 2. This amendatory act does not take effect
5 unless all of the following bills of the 97th Legislature are
6 enacted into law:

7 (a) Senate Bill No. _____ or House Bill No. 5837 (request no.
8 04841'14 *).

9 (b) Senate Bill No. _____ or House Bill No. 5836 (request no.
10 04965'14 *).