HOUSE . . . . . No. 6620

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, April 27, 1981.

The committee on Government Regulations, to whom were referred the petition (accompanied by bill, House, No. 1268) of Kevin Poirier, Carol C. Amick, William P. Nagle, Jr., Francis H. Woodward, Charles F. McNally, Iris K. Holland and Steven D. Pierce relative to licensing purchasers of precious metals and stones; the petition (accompanied by bill, House, No. 4386) of Mary Jeanette Murray relative to the licensing of purchasers of precious metals and stones; the petition (accompanied by bill, House, No. 5027) of Robert Correia relative to the regulating and licensing of persons purchasing gold, silver and precious and semi-precious gems; and the petition (accompanied by bill, House, No. 5333) of Philip W. Johnston for legislation to require any person buying gold or silver, or merchandise containing gold or silver, to obtain photographic identification of the persons selling such merchandise, reports recommending that the accompanying bill (House, No. 6620) ought to pass.

For the committee,

KEVIN POIRIER.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-One.

AN ACT REGULATING PRECIOUS METALS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Section 142A of Chapter 266 of the General Laws, as inserted by Chapter 400 of the Acts of 1980, is hereby amended by striking out said Section 142A and inserting in place thereof the following: —

Section 142A. No person may engage in or carry on the business of purchasing gold or gold-plated ware, silver or silver-plated ware, platinum ware, watches, jewelry, precious stones or rare or valuable coins unless such person is licensed annually by the Department of Public Safety, and registered, in a book kept for that purpose, with the chief of police or, if there is no chief of police, the first selectman of the municipality in which he intends to carry on such business; except that the provisions of this subsection shall not apply to persons purchasing such items for use in the practice of dentistry, nor to the purchase of such items from a wholesaler by a manufacturer or retail seller whose primary place of business is located in this state. Upon payment of an annual fee of one hundred dollars, ten dollars of which shall be retained by the Department for administration of this section and ninety dollars which shall be returned to the municipality where the business is to be conducted, the Department shall license any suitable inhabitant of the Commonwealth, who has resided therein for a period of not less than six months immediately preceding the application for such license, such license to be valid for one year from the date of issuance. Such license may be revokable for any violation of this section. For the purpose of this sub-section "wholesaler" means a person in the business of selling tangible personal property to be resold at retail or raw materials to be manufactured into suitable forms for use by consumers. Nothing in this section shall preclude a

29 licensee from using electronic scales in the conduct of his business.
30 Any person selling any such article shall be required to show to
31 the buyer prior to said sale, positive identification which includes a
32 photograph of said seller, provided, however, that no such licensed
33 buyer may purchase any goods from a minor unless such minor is
34 accompanied by a parent or guardian. Each such licensed person
35 shall keep a log in which he shall note at the time of each transac-
36 tion a description of the goods purchased, the purchase price, the
37 name and address of the person selling the goods, the date and hour
38 any such goods were received, and the type or form of identifica-
39 tion received. No person licensed under this section may sell, melt
40 down or otherwise release or alter such items purchased until after
41 seven working days have elapsed from the date such item was
42 purchased. The commissioner, any state police officer, and the
43 chief of police or any police officer of the city or town where the
44 business is located, shall have access to records of the transactions
45 which have taken place. Persons licensed under this section shall be
46 required to produce, upon 24 hours notice, any item requested by
47 the above named police officers or designee. Each such licensed
48 person may only pay for goods received by check, draft, or money
49 order.
50 At the time of making any purchase each licensed person shall
51 deliver to the person selling goods a receipt containing a brief
52 description of the item purchased and the name and address of the
53 purchaser. Each person licensed under this Chapter shall be re-
54 quired to post a copy of this Chapter in a prominent position at the
55 place wehere his business is being conducted.
56 Upon request, each such licensed person shall provide a weekly
57 copy of the aforementioned log to the requesting chief of police or
58 first selectman of each municipality in which he transacted busi-
59 ness that week.
60 Whoever violates any provision of this section shall be punished
61 by a fine of not more than one thousand dollars or imprisonment of
62 not more than one year, or both such fine and imprisonment.

1 SECTION 2. This Act shall take effect upon its passage.