

# STATE OF NEW YORK

447

2017-2018 Regular Sessions

## IN SENATE

(Prefiled)

January 4, 2017

Introduced by Sen. YOUNG -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection

AN ACT to amend the general business law, in relation to the purchase of second-hand precious metals

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The general business law is amended by adding a new section  
2 391-u to read as follows:

3 § 391-u. Second-hand precious metals; records. 1. Definitions. As  
4 used in this section:

5 (a) "Dealer" shall mean any person who, in the regular course of busi-  
6 ness, deals in the purchase of second-hand articles or things comprised  
7 of gold, silver or platinum for the purpose of resale, melting or refin-  
8 ing, and shall include collateral loan brokers.

9 (b) "Person" shall mean an individual or business entity, including a  
10 collateral loan broker as defined in section fifty-two of this chapter.

11 (c) "Seller" shall mean any person who sells any second-hand article  
12 or thing comprised of gold, silver or platinum.

13 2. No dealer shall take possession of and provide consideration for  
14 any second-hand item comprised of gold, silver or platinum from a seller  
15 without confirming the identity of such seller upon presentation of two  
16 forms of identification. The dealer shall maintain a record of each  
17 second-hand item comprised of gold, silver or platinum he or she takes  
18 possession of, and such record shall include a copy of the forms of  
19 identification presented by the seller and a telephone number and  
20 address at which the seller may be contacted. Each dealer shall insti-  
21 tute reasonable measures to keep such records secure. All such records  
22 shall be maintained by the dealer for a period of not less than two  
23 years, and shall only be made available for inspection during normal

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1 business hours by the attorney general or his or her designees, the  
2 local licensing authority or a police officer.

3 3. Upon taking possession of any second-hand item comprised of gold,  
4 silver or platinum, a dealer shall retain possession of such item for a  
5 period of not less than seventy-two hours. The governing body of the  
6 city, town or village in which the dealer is located may establish fines  
7 and penalties of not less than twenty-five dollars nor more than one  
8 hundred dollars for violations of the provisions of this subdivision.  
9 Such city, town or village shall have full power and authority, after a  
10 hearing, to impose such fines and penalties upon a finding that a dealer  
11 violated this subdivision.

12 4. No provision of this section shall be deemed to preempt or prohibit  
13 any municipality from enacting a local law or ordinance which estab-  
14 lishes more stringent standards than those established by this section.  
15 Every dealer shall comply with all local laws and ordinances governing  
16 such dealers and the provisions of this section shall be enforced and  
17 violations thereof adjudicated by the city, town or village in which the  
18 dealer conducts business.

19 § 2. This act shall take effect on the sixtieth day after it shall  
20 have become a law.