

COMMITTEE BILL ANALYSIS

Bill: Senate Bill 427

Printer's No.: 368

Sponsor: Senator Greenleaf

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Synopsis: This bill amends Section 4 of the Precious Metal Sale Regulation Law, 1984 Act 17, extending the time period a dealer must retain and make available for inspection precious metal items and enabling law enforcement to seize and retain precious metals believed to be stolen.

Summary: This bill would require a dealer in precious metals to retain and make available for inspection by law enforcement officials each item of precious metal for ten business days, instead of five, after purchasing it. This extension of time will enable burglary victims to discover and report the theft and will enable police to investigate the theft.

The bill provides that a law enforcement officer may, upon notice, seize and retain precious metal items for a period not to exceed 30 days when they have probable cause to believe that the metals are stolen. This would modify current law which only allows law enforcement officers to issue a written notice to the dealer, which requires the dealer to retain the precious metals for seven days.

The bill also provides that the court may order that a law enforcement officer: 1) may retain an item of precious metal for a period exceeding 30 days; or 2) shall return an item of precious metal to the dealer. Presently, the court may order the precious metals dealer to retain such items of precious metals at such place and under such conditions as the court may decree.

Finally, the bill removes a requirement that items of precious metals that need to be retained must be retained at the location where purchased by the dealer.

Effective date

This act takes effect immediately.

Background: Law enforcement agencies are reporting a frequently occurring crime involving drug addiction and property theft. They explain that thieves break into people's homes during the day, steal gold and silver jewelry, and then sell the jewelry to so-called "cash-for-gold" stores in order to obtain money for illegal drugs. The law enforcement community is seeking additional time and authority in order to stop home burglaries as a source of drug money.

Current law: Currently, the Precious Metal Sale Regulation Law, 1984 Act 17, requires precious metals dealers to submit a report of every transaction to the district attorney and retain the metals from each reported transaction for five business days. Dealers are also required to make the precious metal items available for inspection to federal, state or local law enforcement officials during the five business days. If a law enforcement officer has probable cause to believe that certain precious metals are stolen, the officer may issue a "written notice" to the dealer, which requires the dealer to retain the precious metals for seven days. Upon application of the district attorney, a court may order the dealer to retain the precious metal for a longer period of time. Each item of precious metal to be retained shall be held at the location where purchased by the dealer, unless authorized in writing by the district attorney or his designee to be retained elsewhere.