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Referred: Labor & Commerce  
and Judiciary

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1 IN THE HOUSE

2 HOUSE BILL NO. 186

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the purchase of precious metals or  
7 precious or semi-precious stones."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. AS 08 is amended by adding a new chapter to read:

10 CHAPTER 78. PURCHASERS OF PRECIOUS METALS OR PRECIOUS OR  
11 SEMI-PRECIOUS STONES.

12 Sec. 08.78.010. REGISTRATION REQUIRED. A person who engages in  
13 the business of purchasing precious metals or precious or semi-precious  
14 stones, or who purchases precious metals or precious or semi-precious  
15 stones in the course of another business, shall first obtain a certifi-  
16 cate of registration from the department. The certificate is renewable  
17 under regulations issued by the department.

18 Sec. 08.78.020. IDENTIFICATION REQUIRED. A registrant may not  
19 make a purchase of precious metals or precious or semi-precious stones  
20 unless the seller presents positive identification at the time the  
21 purchase is made.

22 Sec. 08.78.030. RECORDKEEPING REQUIRED. A registrant shall keep  
23 the following records:

- 24 (1) name and address of the seller of the metals or stones,  
25 with a notation as to the type of identification presented;
- 26 (2) time of day and date of the transaction;
- 27 (3) amount of the purchase price;
- 28 (4) description of the item purchased, including  
29 (A) metallic composition;

- 1 (B) fineness of precious metals, if determinable;  
2 (C) weight;  
3 (D) any ownership marks, trademarks, or other distin-  
4 guishing characteristics; and  
5 (E) a description of the mounting of any mounted stones.

6 Sec. 08.78.040. REPORTING AND INSPECTION REQUIREMENTS. (a) A  
7 registrant shall provide copies of the records kept under AS 08.78.030  
8 to the department on a monthly basis.

9 (b) A state or municipal police agency may examine the records  
10 kept under AS 08.78.030 at the place where the registrant's business is  
11 carried on.

12 Sec. 08.78.050. FORM OF PAYMENT OF PURCHASE PRICE. A registrant  
13 shall pay the price for precious metals or precious or semi-precious  
14 stones by check, draft, or money order.

15 Sec. 08.78.060. PURCHASE FROM A PERSON UNDER THE AGE OF 18 YEARS.  
16 A registrant may not purchase precious metals or precious or semi-  
17 precious stones from a person who is under the age of 18 years, unless  
18 that person is accompanied by a parent or guardian.

19 Sec. 08.78.070. HOLDING PERIOD. A registrant shall hold precious  
20 metal or a precious or semi-precious stone purchased by him in the form  
21 in which it was purchased without refining, smelting, or otherwise  
22 altering its appearance or re-selling it, for a period of seven days  
23 from the date of purchase.

24 Sec. 08.78.080. EXEMPTIONS. This chapter does not apply to the  
25 purchase of precious metals refined into bars, ingots, or into coins  
26 which have a monetary value based on the amount of precious metal  
27 contained in the coin.

28 Sec. 08.78.090. PENALTY. A person who violates this chapter is  
29 guilty of a class A misdemeanor.

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Sec. 08.78.100. DEFINITIONS. In this chapter

(1) "department" means the Department of Commerce and Economic Development;

(2) "precious metals or precious or semi-precious stones" means precious metals or precious or semi-precious stones which have been made into goods or articles by a machine process or by hand;

(3) "registrant" means a person required to register with the department under AS 08.78.010.