**South Carolina General Assembly**

119th Session, 2011-2012

**H. 4974**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Tallon, Patrick, D.C. Moss, G.R. Smith, Cole and Pope

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Introduced in the House on March 8, 2012

Currently residing in the House Committee on **Judiciary**

Summary: Precious metals

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

3/8/2012 House Introduced and read first time ([House Journal‑page 19](file:///h:\hj%20archive\2012\03-08-12.docx))

3/8/2012 House Referred to Committee on **Labor, Commerce and Industry** ([House Journal‑page 19](file:///h:\hj%20archive\2012\03-08-12.docx))

3/8/2012 Scrivener's error corrected

3/21/2012 House Recalled from Committee on **Labor, Commerce and Industry** ([House Journal‑page 30](file:///h:\hj%20archive\2012\03-21-12.docx))

3/21/2012 House Referred to Committee on **Judiciary** ([House Journal‑page 30](file:///h:\hj%20archive\2012\03-21-12.docx))

**VERSIONS OF THIS BILL**

[3/8/2012](file:///p:\pprever\2011-12\4974_20120308.docx)

[3/8/2012-A](file:///p:\pprever\2011-12\4974_20120308A.docx)

**A** **BILL**

TO AMEND SECTION 40‑54‑10, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DEFINITIONS CONCERNING DEALERS IN PRECIOUS METALS, SO AS TO MODIFY THE TERM “PURCHASE”; TO AMEND SECTION 40‑54‑40, RELATING TO THE REQUIREMENT THAT A SELLER OF PRECIOUS METALS PROVIDE CERTAIN POSITIVE IDENTIFICATION BEARING HIS PHOTOGRAPH, SO AS TO PROVIDE THIS REQUIREMENT MAY BE SATISFIED BY CERTAIN IDENTIFICATION ISSUED BY THE STATE OR THE UNITED STATES; TO AMEND SECTION 40‑54‑50, RELATING TO A MANDATORY PERIOD FOR WHICH A DEALER IN PRECIOUS METALS MUST HOLD PRECIOUS METALS HE PURCHASES BEFORE HE MAY SELL THE PRECIOUS METALS; AND TO AMEND SECTION 40‑54‑80, RELATING TO PENALTIES, SO AS TO INCREASE PENALTIES FOR THE PURCHASE OF PRECIOUS METALS BY A DEALER WITH A REVOKED LICENSE.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 40‑54‑10(7) of the 1976 Code is amended to read:

“(7) ‘Purchase’ means the acquisition, including by means of being pawned to a dealer, of precious metal or precious or semiprecious stones or gems or both precious metal and precious or semiprecious stones or gems for a consideration of cash, goods, or other precious metals or precious or semiprecious stones or gems or both precious metals and precious or semiprecious stones or gems. Trade‑ins are covered by the provisions of this chapter unless the item traded was purchased directly from the dealer allowing the trade.”

SECTION 2. Section 40‑54‑40 of the 1976 Code is amended to read:

“Section 40‑54‑40. (A)(1) Every dealer shall keep a book in which must be written at the time of any purchase of precious metal or precious or semiprecious stones or gems made from the general public, whether in bulk or manufactured form, the date of purchase, amount of money or other property exchanged for the metal, stones, or gems, the name, sex, race, age, address, and driver’s license number of the person selling the items, articles, or things bought, and the number and nature and brand name of the items, articles, or things. Descriptions must include size, weight, patterns, or engraving or any unusual identification marks.

(2) If the seller does not have a driver’s license, some other positive identification bearing his photograph and an identifying number may be substituted including:

(a) another form of identification containing a photograph and issued by the Department of Motor Vehicles;

(b) a passport;

(c) military identification containing a photograph and issued by the United States federal government; or

(d) a South Carolina voter registration card containing a photograph pursuant to Section 7‑5‑675.

(3) If the seller cannot produce a driver’s license or other positive identification, the dealer may not buy any merchandise from him. Every dealer shall, at the time of purchase, obtain the signature of the seller as part of the recording of the transaction.

(B) The record book must be kept for three years and at all reasonable times must be open to the inspection of any judicial or law enforcement officials or their designees.

(C) The local law enforcement agency may not reveal a seller’s identity supplied under this section except to other law enforcement agencies and prosecuting officials or pursuant to the valid order of a court or in the course of any criminal investigation or prosecution.”

SECTION 3. Section 40‑54‑50(B) of the 1976 Code is amended to read:

“(B) All precious metals purchased by a dealer ~~shall~~ must be held by the dealer at his permanent place of business or ~~at another suitable location in the~~ within the county of purchase in this State ~~of South Carolina~~ without being resold, melted, or altered in any manner, for a period of ~~seven~~ thirty days from the purchase date. This thirty‑day period begins on the date of purchase. All goods required to be held under this section ~~shall~~ must at all reasonable times be open to inspection by any law enforcement agency.”

SECTION 4. Section 40‑54‑80 of the 1976 Code is amended to read:

“Section 40‑54‑80. (A) Any dealer violating the provisions of this chapter ~~shall be deemed~~ is guilty of a misdemeanor and upon conviction~~,~~ for a first offense~~, shall~~ must be fined not more than five hundred dollars ~~or~~, imprisoned for not more than ninety days, or both. A second offense conviction ~~shall be~~ is punishable by a fine of not more than two thousand dollars ~~or~~, imprisonment for not more than one year, or both. A third or subsequent offense conviction ~~shall be~~ is punishable by a fine of not more than five thousand dollars ~~or~~, imprisonment for not more than three years, or both. A dealer convicted of a second offense ~~shall be~~ is ineligible for a permit to conduct business in precious metals in this State for at least two years and a dealer convicted of a third or subsequent offense ~~shall not be eligible~~ is ineligible for a permit for a least five years.

(B)(1) In addition to the provisions of subsection (A), any dealer who makes a purchase with an invalid, suspended, or revoked license as a dealer of precious metals is guilty of a misdemeanor and upon conviction for a:

(a) first offense must be fined not more than five hundred dollars, imprisoned for not more than ninety days, or both;

(b) second offense must be fined not more than two thousand dollars, imprisoned for not more than one year, or both; and

(c) third offense must be fined not more than five thousand dollars, imprisoned for not more than three years, or both.

(2)(a) A dealer convicted of a second offense is ineligible for a permit to conduct business in precious metals in this State for at least two years; and

(b) a dealer convicted of a third offense is ineligible for a permit to conduct business in precious metals in this State for at least five years.

(3) A penalty under this section is cumulative to penalties in items (1) and (2).”

SECTION 5. The repeal or amendment by this act of any law, whether temporary or permanent or civil or criminal, does not affect pending actions, rights, duties, or liabilities founded thereon, or alter, discharge, release or extinguish any penalty, forfeiture, or liability incurred under the repealed or amended law, unless the repealed or amended provision shall so expressly provide. After the effective date of this act, all laws repealed or amended by this act must be taken and treated as remaining in full force and effect for the purpose of sustaining any pending or vested right, civil action, special proceeding, criminal prosecution, or appeal existing as of the effective date of this act, and for the enforcement of rights, duties, penalties, forfeitures, and liabilities as they stood under the repealed or amended laws.

SECTION 6. This act takes effect upon approval by the Governor.

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