

February 26, 2009

**S 348. MODERNIZE PRECIOUS METALS PERMITTING.** Filed 2/26/09. *TO MODERNIZE THE RECORD KEEPING OF PRECIOUS METALS PURCHASES BY DEALERS AND TO SUBJECT ALL DEALERS IN PRECIOUS METALS TO THE SAME LICENSING AND RECORD-KEEPING REQUIREMENTS BY REPEALING THE "TEN PERCENT OR LESS OF PURCHASES" EXEMPTION FROM DEALER PERMITTING AND REGULATION.*

Amends GS 66-164 to modify the definition of *dealer* (1) to mean any person (was, a person engaging in the business of) who purchases precious metals from the public and (2) to eliminate an exemption for a retail merchant who purchases precious metal from the public incidental to a main business with those purchases constituting 10% or less of the total purchases or acquisitions in the year prior to applying for the exemption. Clarifies the definition of *local law enforcement agency*. Also makes technical changes. Effective October 1, 2009.

Amends GS 66-166 to require merchants issued an exemption from permitting requirements due to the percentage of total business related to precious metals purchases to maintain a record of each precious metals purchase that includes a description of the item or items purchased and the date of the transaction. Provides that the records are subject to inspection on the premises by law enforcement agencies. Requires that a hard copy record be kept for at least two years after the last recorded transaction and that an electronic record be maintained for at least two years from the last entry and produced in hard copy form upon the request of a law enforcement agency. Prohibits local law enforcement agencies from issuing an exemption under this provision after September 30, 2009, and allows exemptions issued on or before that date to remain in effect until 12 months after issuance. Effective October 1, 2012, repeals GS 66-166.

Makes clarifying and conforming changes to GS 66-169 concerning record keeping requirements for permitted dealers, including providing for an electronic database that prevents record deletions, tracks modifications to records, and allows for electronic signatures. Provides for electronic reporting to the local law enforcement agency in a manner authorized by that agency. Requires the production of hard copy records upon request by the law enforcement agency. Also makes technical changes.

**Intro. by Boseman.**

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