

HB 683-FN - AS INTRODUCED

2015 SESSION

15-0844
05/04

HOUSE BILL **683-FN**
AN ACT regulating cash for gold businesses.
SPONSORS: Rep. Williams, Hills 4
COMMITTEE: Commerce and Consumer Affairs

ANALYSIS

This bill regulates cash for gold businesses. The bill requires precious metals dealers to be licensed and have a permanent place of business.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears [~~in brackets and struckthrough.~~]
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fifteen

AN ACT regulating cash for gold businesses.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Subdivision; Cash for Gold Businesses. Amend RSA 398 by inserting after section 14 the
2 following new subdivision:

3 Cash for Gold Businesses

4 398:15 Definitions. In this subdivision:

5 I. "Dealer" means any person, corporation, or partnership that engages in the business of
6 purchasing precious metals for the purpose of reselling such items in any form. A dealer shall not
7 include a manufacturer or person in the wholesale business.

8 II. "Local law enforcement agency" means the chief of police in the city or town in which the
9 business is located.

10 III. "Permanent place of business" means a fixed premises either owned by the dealer or
11 leased by the dealer for at least one year.

12 IV. "Precious metals" means an article made in whole or in part of gold, silver, or platinum.

13 V. "Purchase" means the acquisition of precious metals for a consideration of cash, goods, or
14 another item.

15 398:16 Precious Metals Dealer; License and Place of Business Required.

16 I. Each dealer engaged in the business of purchasing precious metals for the purpose of
17 reselling the items shall obtain a business license from the city or town in which the business is
18 located. No dealer shall operate in the state of New Hampshire unless he or she first obtains the
19 license required herein to engage in the business of purchasing precious metals.

20 II. A dealer may only operate from the permanent place of business listed on the business
21 license. The dealer shall notify the local law enforcement agency that the business has been licensed
22 prior to commencing purchases of precious metals.

23 398:17 Where in Force. This subdivision shall be in force in all cities having a population of
24 more than 40,000, and in such other cities and towns as shall adopt its provisions.

25 398:18 Penalty. Whoever, not being licensed, carries on such business within such city or town;
26 or, being licensed, carries on such business in any other place or manner than that designated in his
27 or her license or after notice that his or her license has been revoked; or who otherwise violates any
28 provision of this subdivision, shall be guilty of a misdemeanor.

29 2 Effective Date. This act shall take effect January 1, 2016.

HB 683-FN FISCAL NOTE

AN ACT regulating cash for gold businesses.

FISCAL IMPACT:

The Judicial Branch and New Hampshire Municipal Association state this bill, **as introduced**, may increase state and local expenditures and local revenue by an indeterminable amount in FY 2016 and each year thereafter. There will be no impact on county expenditures or state and county revenue.

METHODOLOGY:

The Judicial Branch states this bill requires every dealer engaged in the business of purchasing precious items for resale to obtain a business license from the city or town in which the business is located, if the municipality has a population of more than 40,000. The bill contains an unspecified misdemeanor, which can be either class A or class B, with the presumption being a class B misdemeanor. There is no method to determine how many charges would be brought as a result of the changes contained in this bill to determine the fiscal impact on expenditures. However, the Branch has provided the potential costs associated with the penalties contained in this bill, where they can be determined. See table below for average cost information:

	FY 2016	FY 2017
<u>Judicial Branch*</u>		
Class B Misdemeanor	\$48	\$51
Class A Misdemeanor	\$69	\$71
Appeals	Varies	Varies
*It should be noted average case cost estimates for FY 2016 and FY 2017 are based on data that is more than nine years old and does not reflect changes to the courts over that same period of time or the impact these changes may have on processing the various case types.		

The New Hampshire Municipal Association states it does not anticipate a net fiscal impact as a result of the bill. If there are costs associated with issuing licenses, municipalities may charge a fee to cover the costs.

The Judicial Council, Department of Justice, and New Hampshire Association of Counties state this bill will have no fiscal impact.