

ASSEMBLY, No. 2235

STATE OF NEW JERSEY 216th LEGISLATURE

INTRODUCED JANUARY 27, 2014

Sponsored by:

Assemblywoman CELESTE M. RILEY

District 3 (Cumberland, Gloucester and Salem)

SYNOPSIS

Establishes electronic reporting system for purchasers of precious metals or jewelry.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning purchasers of precious metals or jewelry and
2 supplementing Title 2C of the New Jersey Statutes.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

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7 1. a. The Superintendent of State Police shall establish or
8 arrange for a system of electronic reporting of any records required
9 to be maintained by purchasers of precious metals or jewelry. The
10 superintendent may contract with one or more vendors to establish
11 and maintain the electronic reporting system pursuant to guidelines
12 established by the superintendent.

13 b. Purchasers of precious metals or jewelry shall electronically
14 submit any records maintained pursuant to section 1 of P.L.1981,
15 c.96 (C.51:6A-1) or section 1 of P.L.2009, c.214 (C.2C:21-36) to
16 the electronic reporting system established pursuant to subsection a.
17 of this section by no later than noon of the next business day
18 following the purchase or receipt of any precious metals or jewelry.

19 c. (1) Except as otherwise provided in paragraph (2) of this
20 subsection, all records maintained by the Division of State Police
21 pursuant to this section shall be confidential and shall not be made
22 available to any individual or institution except as otherwise
23 provided by law.

24 (2) The information provided pursuant to this section may be
25 shared with any federal or State law enforcement agency as deemed
26 appropriate by the superintendent, or with any State regulatory
27 agency with jurisdiction over persons engaged in a business in
28 which reportable transactions are conducted.

29 d. In addition to any other penalty provided by law, a purchaser
30 of precious metals or jewelry who fails to electronically submit
31 information pertaining to a receipt or purchase of any precious
32 metals or jewelry as required pursuant to this section shall be liable
33 to a penalty of \$10,000 for each violation, recoverable by the
34 superintendent pursuant to the provisions of the "Penalty
35 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).
36 An action for the recovery of a civil penalty for violation of this act
37 shall be within the jurisdiction of and may be brought before the
38 Superior Court or municipal court in the municipality where the
39 offense is committed, or where the defendant resides or may be
40 apprehended.

41 e. The superintendent may promulgate rules and regulations
42 necessary to effectuate the provisions of this section.

43 f. As used in this section:

44 "Precious metals or jewelry" means gold, silver, platinum,
45 palladium and alloys thereof, or used or secondhand jewelry;

46 "Purchaser of precious metals or jewelry" means any person in
47 the business of:

1 (1) Buying precious metals who is required to maintain records
2 pursuant to subsection e. of section 1 of P.L.1981, c.96 (C.51:6A-
3 1); or

4 (2) Retailing, wholesaling, or smelting jewelry who is required
5 to maintain records pursuant to section 1 of P.L.2009, c.214
6 (C.2C:21-36).

7
8 2. This act shall take effect on the 180th day next following
9 enactment, provided that the Superintendent of State Police may
10 take such anticipatory action as may be necessary to implement the
11 provisions of this act.

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14 STATEMENT

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16 This bill requires certain purchasers of precious metals or
17 jewelry to electronically submit records maintained pursuant to law
18 or regulation on the purchase or receipt of precious metals or used
19 and secondhand jewelry using an electronic reporting system.

20 The bill requires the Superintendent of State Police to establish
21 or arrange for a system for the electronic reporting of information
22 pertaining to the receipt or purchase of precious metals or jewelry
23 by any purchaser of precious metals or jewelry. The bill defines
24 “purchaser of precious metals or jewelry” to mean any person who
25 is required to maintain records pursuant to current law and is in the
26 business of buying precious metals or retailing, wholesaling, or
27 smelting jewelry.

28 The bill provides that the superintendent may contract with one
29 or more vendors to establish and maintain the electronic reporting
30 system pursuant to guidelines established by the superintendent.

31 Under the bill, all records submitted by purchasers of precious
32 metals or jewelry which are maintained by the Division of State
33 Police are confidential except as otherwise provided by law. The
34 records may be shared with federal or State law enforcement
35 agencies as deemed appropriate by the superintendent, or with any
36 State regulatory agency with jurisdiction over persons engaged in a
37 business in which reportable transactions are conducted.

38 Under the bill, purchasers of precious metals or jewelry who fail
39 to electronically submit information pertaining to a receipt or
40 purchase of precious metals or jewelry may be liable to a penalty of
41 \$10,000 for each violation.