CERTIFICATION OF ENROLLMENT

**HOUSE BILL 1623**

65th Legislature

2017 Regular Session

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| Passed by the House February 27, 2017  Yeas 95 Nays 1  **Speaker of the House of Representatives**  Passed by the Senate April 10, 2017  Yeas 47 Nays 0  **President of the Senate** | CERTIFICATE  I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1623** as passed by House of Representatives and the Senate on the dates hereon set forth.  **Chief Clerk** |
| Approved |  |
| **Governor of the State of Washington** | **Secretary of State**  **State of Washington** |

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**HOUSE BILL 1623**

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Passed Legislature - 2017 Regular Session

**State of Washington 65th Legislature 2017 Regular Session**

**By** Representatives Senn, Springer, Tarleton, and Slatter

AN ACT Relating to secondhand dealers utilizing automated kiosks to purchase secondhand electronic devices; amending RCW 19.60.020 and 19.60.055; reenacting and amending RCW 19.60.010; and adding a new section to chapter 19.60 RCW.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

**Sec.**  RCW 19.60.010 and 2011 c 289 s 2 are each reenacted and amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Automated kiosk" means a self-serve interactive machine that purchases secondhand electronic devices.

(2) "Loan period" means the period of time from the date the loan is made until the date the loan is paid off, the loan is in default, or the loan is refinanced and new loan documents are issued, including all grace or extension periods.

((~~(2)~~)) (3) "Melted metals" means metals derived from metal junk or precious metals that have been reduced to a melted state from other than ore or ingots which are produced from ore that has not previously been processed.

((~~(3)~~)) (4) "Metal junk" means any metal that has previously been milled, shaped, stamped, or forged and that is no longer useful in its original form, except precious metals.

((~~(4)~~)) (5) "Nonmetal junk" means any nonmetal, commonly discarded item that is worn out, or has outlasted its usefulness as intended in its original form except nonmetal junk does not include an item made in a former period which has enhanced value because of its age.

((~~(5)~~)) (6) "Pawnbroker" means every person engaged, in whole or in part, in the business of loaning money on the security of pledges of personal property, or deposits or conditional sales of personal property, or the purchase or sale of personal property.

((~~(6)~~)) (7) "Precious metals" means gold, silver, and platinum.

((~~(7)~~)) (8) "Secondhand dealer" means every person engaged in whole or in part in the business of purchasing, selling, trading, consignment selling, or otherwise transferring for value, secondhand property including metal junk, melted metals, precious metals, whether or not the person maintains a fixed place of business within the state. Secondhand dealer also includes persons or entities conducting business, more than three times per year, at flea markets or swap meets. Secondhand dealer also includes persons or entities operating an automated kiosk.

((~~(8)~~)) (9) "Secondhand precious metal dealer" means any person or entity engaged in whole or in part in the commercial activity or business of purchasing, selling, trading, consignment selling, or otherwise transferring for value, more than three times per year, secondhand property that is a precious metal, whether or not the person or entity maintains a permanent or fixed place of business within the state, or engages in the business at flea markets or swap meets. The terms "precious metal" and "secondhand property," for purposes of transactions by a secondhand precious metal dealer, do not include: (a) Gold, silver, or platinum coins, or other precious metal coins, that are legal tender, or precious metal coins that have numismatic or precious metal value, (b) gold, silver, platinum, or other precious metal bullion, or (c) gold, silver, platinum, or other precious metal dust, flakes, or nuggets.

((~~(9)~~)) (10) "Secondhand property" means any item of personal property offered for sale which is not new, including metals in any form, except postage stamps, coins that are legal tender, bullion in the form of fabricated hallmarked bars, used books, and clothing of a resale value of seventy-five dollars or less, except furs.

((~~(10)~~)) (11) "Transaction" means a pledge, or the purchase of, or consignment of, or the trade of any item of personal property by a pawnbroker or a secondhand dealer from a member of the general public.

**Sec.**  RCW 19.60.020 and 1991 c 323 s 2 are each amended to read as follows:

(1) Every pawnbroker and secondhand dealer doing business in this state shall maintain wherever that business is conducted a record in which shall be legibly written in the English language, at the time of each transaction the following information:

(a) The signature of the person with whom the transaction is made;

(b) The date of the transaction;

(c) The name of the person or employee or the identification number of the person or employee conducting the transaction, as required by the applicable chief of police or the county's chief law enforcement officer;

(d) The name, date of birth, sex, height, weight, race, and address and telephone number of the person with whom the transaction is made;

(e) A complete description of the property pledged, bought, or consigned, including the brand name, serial number, model number or name, any initials or engraving, size, pattern, and color or stone or stones, and in the case of firearms, the caliber, barrel length, type of action, and whether it is a pistol, rifle, or shotgun;

(f) The price paid or the amount loaned;

(g) The type and identifying number of identification used by the person with whom the transaction was made, which shall consist of a valid drivers license or identification card issued by any state or two pieces of identification issued by a governmental agency, one of which shall be descriptive of the person identified. At all times, one piece of current government issued picture identification will be required; and

(h) The nature of the transaction, a number identifying the transaction, the store identification as designated by the applicable law enforcement agency, or the name and address of the business and the name of the person or employee, conducting the transaction, and the location of the property.

(2) This record shall at all times during the ordinary hours of business, or at reasonable times if ordinary hours of business are not kept, be open to the inspection of any commissioned law enforcement officer of the state or any of its political subdivisions, and shall be maintained wherever that business is conducted, or at the secondhand dealer's principal place of business if the transaction took place through the use of an automated kiosk, for three years following the date of the transaction.

**Sec.**  RCW 19.60.055 and 1991 c 323 s 6 are each amended to read as follows:

(1) Property bought or received on consignment by any secondhand dealer with a permanent place of business in the state shall not be removed from that place of business except consigned property returned to the owner, within thirty days after the receipt of the property. Property shall at all times during the ordinary hours of business be open to inspection to any commissioned law enforcement officer of the state or any of its political subdivisions.

(2) Property bought or received on consignment by any secondhand dealer without a permanent place of business in the state, shall be held within the city or county in which the property was received, except consigned property returned to the owner, within thirty days after receipt of the property. The property shall be available within the appropriate jurisdiction for inspection at reasonable times by any commissioned law enforcement officer of the state or any of its political subdivisions.

(3) Property bought by any secondhand dealer through the use of an automated kiosk must be held for at least thirty days after the secondhand property was accepted by the automated kiosk. To satisfy this requirement the secondhand property may be held inside the automated kiosk or at a secure location maintained by the secondhand dealer. The secondhand property purchased through an automated kiosk must be made available to any commissioned law enforcement officer of the state, or any of its political subdivisions, for inspection within a reasonable time. The cost of transporting the secondhand property to the law enforcement officer must be paid by the secondhand dealer.

NEW SECTION. **Sec.**  A new section is added to chapter 19.60 RCW to read as follows:

For a secondhand dealer to utilize an automated kiosk to purchase secondhand property in this state, the automated kiosk must have the capability to:

(1) Collect all information required under RCW 19.60.020(1);

(2) Connect with a live customer service representative that can remotely verify the identity of the person engaged in the transaction;

(3) Compare the secondhand property purchased against a state or federal database of stolen items using the serial number, International Mobile Equipment Identity (IMEI), the mobile equipment identifier (MEID), or other unique identifying number assigned to the device by the manufacturer; and

(4) Securely store all secondhand property purchased.

**--- END ---**