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**Business & Financial Services Committee**

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**HB 1623**

**Brief Description:** Concerning secondhand dealers utilizing automated kiosks to purchase secondhand electronic devices.

**Sponsors:** Representatives Senn, Springer, Tarleton and Slatter.

**Brief Summary of Bill**

- Creates minimum requirements for automated kiosks in use for the purchase of secondhand electronic property.
- Allows secondhand property purchased through an automated kiosk to be held in the kiosk or off site during the required 30-day holding period.
- Allows secondhand dealers utilizing an automated kiosk to maintain the required records at their principal place of business.

**Hearing Date:** 2/7/17

**Staff:** Robbi Kesler (786-7153).

**Background:**

Washington regulates the business of secondhand dealers, defined as every person engaged in the business of purchasing, selling, trading, consignment selling, or otherwise transferring for value, secondhand property whether or not the person maintains a fixed place of business within the state.

Secondhand dealers are required to collect and keep business records for three years. Required information includes:

- date of the transaction;
- name or identification number of the employee completing the transaction;
- identifying number and type of identification used to verify identification of the person selling the secondhand property;

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- name, date of birth, sex, height, weight, race, address, and telephone number of the person selling the secondhand property;
- description of the secondhand property, including among others, the brand name, model number, and serial number;
- price secondhand dealer paid for the secondhand property; and
- a signature from the person selling the secondhand property.

Secondhand dealers are also required to store the secondhand property for a minimum of 30 days and, by request, must make the property available to law enforcement officers. Secondhand dealers with a permanent place of business are required to store the secondhand property on site, and secondhand dealers without a permanent place of business are required to store the property within the city or county in which it was received.

**Summary of Bill:**

An automated kiosk is defined as a self-serve interactive machine that purchases secondhand electronic goods. During the transaction, the automated kiosk must be able to collect all required information, connect with a live customer service representative that can remotely verify the identity of the person selling the electronic item, and compare the electronic item's identifying numbers against a state or federal database of stolen property. The kiosk must be able to securely store the purchased electronic item after acceptance.

Persons or entities operating automated kiosks are added to the definition of a secondhand dealer.

Secondhand dealers utilizing an automated kiosk to purchase secondhand property must maintain all required records at its principal place of business. Secondhand property bought through an automated kiosk must be held for at least 30 days after being accepted by the automated kiosk. During this storage period the property may be securely held inside the automated kiosk or at another secure location maintained by the secondhand dealer. By request, the secondhand goods must be made available to law enforcement officers. Any costs associated with transferring the secondhand goods to law enforcement must be paid by the secondhand dealer.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.