

<b>LFC Requester:</b>	<b>Christine Boerner</b>
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**AGENCY BILL ANALYSIS  
2013 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:**

**LFC@NMLEGIS.GOV**

*And*

**DFA@STATE.NM.US**

*{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}*

**SECTION I: GENERAL INFORMATION**

*{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

*Check all that apply:*

**Original**        **Amendment**      
**Correction**        **Substitute**   

**Date** January 23, 2013

**Bill No:** House Bill 160--305

**Sponsor:** Rep William R. Rehm

**Reviewing** Attorney General's Office

**Short** Precious Metals Buyers Act

**Person Writing** Sally Malavé

**Title:** \_\_\_\_\_

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**SECTION II: FISCAL IMPACT \*\*\*\*FOR LFC OFFICIAL PURPOSES\*\*\*\*  
AGO STAFF SHOULD LEAVE SHADED AREAS BLANK**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY13	FY14	FY15		

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates, Relates to, Conflicts with, Companion to

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>						

(Parenthesis ( ) Indicate Expenditure Decreases)

**SECTION III: NARRATIVE**

This analysis is neither a formal Attorney General’s Opinion nor an Attorney General’s Advisory Opinion Letter. This is a staff analysis in response to the agency’s committee’s or legislator’s request.

**BILL SUMMARY**

Summary Synopsis: House Bill 160 authorizes counties and municipalities to require a permit and bond for any person engaged in the business of purchasing items of precious metals, defined as gold, silver, platinum, palladium or rhodium, for the purpose of resale, smelting, melting down or otherwise altering the items, but does not include a duly licensed pawnbroker or a business that derives ninety percent (90%) or more of its annual gross receipts from the retail sale of jewelry or the making and selling of jewelry. Upon obtaining a precious metal buyer permit, HB 160 requires the permittee to register with the local law enforcement agency. Persons convicted of felonies are not eligible for permits. Local governments are authorized to enact ordinances and adopt rules as necessary for the administration of the act.

House Bill 160 requires permittees to complete daily reports for each item of precious metal received or purchased during the preceding business day and file the reports with the local law enforcement agency within three (3) days of the transaction. It requires permittees to hold the items of precious metal for at least fifteen (15) days before It authorizes the issuing local government agency to revoke or suspend a permit issued pursuant to its provisions after a hearing and opportunity to be heard. If the local government agency determines that the permittee is in violation of a provision of the Precious Metal Buyers, the agency shall issue a written order suspending the permit for a stated period of time or permanently revoking the permit. Permittees who violate the Precious Metals Act also are subject to criminal prosecution. Written complaints alleging a violation of the act may be filed by a local law enforcement agency district attorney or the attorney general against a precious metal buyer or buyer’s agent or employee.

**FISCAL IMPLICATIONS WITH ENACTING THIS BILL** May require varying expenditure of AGO resources, depending on the number of complaints investigated and prosecuted by the AGO.

**SIGNIFICANT LEGAL ISSUES** No provision addresses the right of a permittee to appeal the decision of a local government authority to revoke or suspend a permit for violations of the act.

**PERFORMANCE IMPLICATIONS WITH ENACTING THIS BILL**

**ADMINISTRATIVE IMPLICATIONS WITH ENACTING THIS BILL** Requires AGO to consider appropriate intake procedures for handling complaints made pursuant to the act.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP WITH BILLS  
INTRODUCED THIS SESSION** None

**TECHNICAL ISSUES OR DRAFTING ERROR**

**OTHER SUBSTANTIVE LEGAL ISSUES**

**ALTERNATIVES TO ENACTING THIS BILL**

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL** Status quo

**AMENDMENTS NEEDED TO IMPROVE THIS BILL** House Bill 160 should include a purpose provision to make clear that it is intended to promote and protect the public health, safety, and morals of the citizens of the state and is therefore a valid exercise of the state's police powers.