

CHAPTER 395
FORMERLY
SENATE BILL NO. 274
AS AMENDED BY
SENATE AMENDMENT NO. 1

AN ACT TO AMEND TITLE 24 OF THE DELAWARE CODE RELATING TO PAWNBROKERS, SECONDHAND DEALERS AND SCRAP METAL PROCESSORS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend Chapter 23, Title 24 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 2301 Definitions.

As used in this chapter:

“Automated Kiosk” means an interactive device that is permanently installed within a secure retail space and that has the following technological functions:

- a. Monitored remotely by a live representative during all business hours of operation;
- b. Verification of a seller’s identity via a government-issued identification card;
- c. Secure storage of goods accepted by the kiosk;
- d. Capture and storage of images during the transaction; and
- e. Electronically report all transactions to Law Enforcement.

"Secondhand dealer" means any person, company, corporation, or member or members of a partnership or firm whose storefront business includes any volume of selling or receiving previously owned, used, rented or leased tangible personal property excluding motor vehicles. The term “secondhand dealer” includes any individual engaged in the business of receiving tangible personal property by means of an automated kiosk. The term "secondhand dealer" shall not include auction houses, flea markets, antique dealers or motor vehicle dealers. This chapter, as it relates to secondhand dealers, does not apply to:

§ 2302 Reporting requirements.

(a) Every pawnbroker and secondhand dealer shall create a record and provide information regarding merchandise acquired via an electronic format to be determined by the Secretary of Safety and Homeland Security.

(1) Such record shall include, at a minimum, the following information:

- a. The date and time of purchase;
- b. The make, model, identifying markings, color, size, any listed serial number, International Mobile Station Equipment Identity (IMEI), the Mobile Equipment Identifier (MEID), any unique identifying number assigned by the manufacturer, or any other identifiable characteristics of the purchased item(s);

(3) Automated Kiosks shall collect a right thumbprint image of the seller and all information pertaining to the seller including photograph and valid government issued identification, required on the electronic form, for every transaction regardless of value.

(c) The forms required by subsections (a) and (b) of this section shall be completed immediately after any articles or goods have been purchased or acquired and shall be submitted electronically by the close of business the next business day, in a format to be determined by the Secretary of the Department of Safety and Homeland Security, to the law-enforcement agency having primary jurisdiction over the area in which the business is located. If the article or good’s Serial Number, IMEI, MEID, or other unique identifying number is not available at the time of purchase or receipt from an automated kiosk, the report filed pursuant to this section must be updated with the Serial Number, IMEI, MEID, or other unique identifying number as soon as possible. The holding requirements in §2304(1) do not begin until all required reports are complete and submitted to the appropriate law enforcement agency. Forms submitted under this section shall be kept confidential and are not public records.

§ 2304 Holding period.

(a) Every pawnbroker and secondhand dealer subject to this chapter must keep for a period of 18 days, including weekends and holidays, subject to inspection by any police officer of Delaware, all goods, wares and

merchandise purchased or received from any person before selling, shipping or otherwise disposing of the same. This does not prohibit any person from securing valuable goods, wares and merchandise in a vault, safe or safety deposit box or other similarly secured storage area on the normal business premises so long as such secured items are readily available for inspection by a police officer. Scrap metal processors must hold platinum, gold and silver articles for 18 days.

(1) A secondhand dealer operating an automated kiosk may ship all goods, wares and merchandise to a secure off-site location upon approval from the Superintendent of the State Police or their designee. Goods shipped under this section must be held for 30 days including weekends and holidays, subject to return and inspection by any police officer of Delaware. The off-site location may be out of the State of Delaware.

Approved August 10, 2016