



SPONSOR: Rep. Mitchell & Sen. Adams
Reps. Booth, Gilligan, Hocker, Jaques, J. Johnson, Lee,
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HOUSE OF REPRESENTATIVES
145th GENERAL ASSEMBLY

HOUSE BILL NO. 164

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

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

1 Section 1. Amend Chapter 23, Title 24 of the Delaware Code by striking the language “and Junk Dealers” from
2 the title and replacing with “, Secondhand Dealers and Scrap Metal Processors”.

3 Section 2. Amend §2301(6), Title 24 of the Delaware Code by striking the word “or” that appears at the end of
4 subparagraph “e” thereof; by deleting the period “.” that appears at the end of subparagraph “f.” and inserting the language
5 and punctuation “; or” in lieu thereof; and by inserting a new subparagraph “g.” thereto as follows:

6 “g. Federal Firearms Licensed Dealers.”.

7 Section 3. Amend §2302, Title 24 of the Delaware Code by striking the existing subsections (a) and (b) in their
8 entirety and substituting new subsections “(a)” and “(b)” in lieu thereof as follows:

9 “(a) Every pawnbroker and secondhand dealer shall create a record and provide information on a form to be
10 supplied by the Delaware State Police or on another form that has been previously approved by the law-enforcement
11 agency having primary jurisdiction over the area in which the pawnbroker and secondhand dealer’s business is located.
12 The bond shall be filed with the Prothonotary of the Superior Court in the county where the pawnbroker or secondhand
13 dealer is located.

14 (b) Every scrap metal processor shall create a record and provide information on a form to be supplied by the
15 Delaware State or on another form that has been previously approved by the law-enforcement agency having primary
16 jurisdiction over the area in which the scrap metal processor’s business is located with respect to the following articles
17 purchased or otherwise acquired:

- 18 (1) Copper;
19 (2) Silver;
20 (3) Gold;
21 (4) Brass;

22 (5) Platinum; or

23 (6) Bronze.

24 Scrap metal processors will collect all information pertaining to the seller (required on the approved form) for any
25 single transaction valued at \$250.00 or more, or for any seller which makes more than one transaction of any value during
26 any seven day period.”.

27 Section 4. Amend §2308, Title 24 of the Delaware Code by striking the word “subchapter” and substituting the
28 word “chapter” in lieu thereof.

29 Section 5. Amend §2311, Title 24 of the Delaware Code by striking the existing third paragraph thereof in its
30 entirety and substituting the following in lieu thereof:

31 “The State Police may suspend or revoke a license for a violation of this chapter or regulations promulgated
32 thereunder by the Secretary of the Department of Safety and Homeland Security.”.

33 Section 6. Amend §2315, Title 24 of the Delaware Code by deleting number “3” as it appears therein and
34 substituting the number “30” in lieu thereof.

SYNOPSIS

This bill makes several changes to the statutes regulating pawnbrokers, secondhand dealers and scrap metal processors. In particular: the bill renames the chapter to more accurately reflect the three types of licenses regulated; clarifies that individuals or businesses licensed as Federal Firearms Dealers are exempt from licensing under this chapter; specifies the forms that pawnbrokers and secondhand dealers must use; adds platinum and bronze to the list of precious metals as to which scrap metal processors must maintain and forward records to the Delaware State Police, provided the value of the transaction is \$250 or more; permits the State Police to promulgate rules and regulations governing the issuance of licenses and qualifications for licensure; and raises the rate of interest that pawnbrokers may assess.