



House of Representatives *State of Utah*

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February 12, 2007

Mr. Speaker:

The Law Enforcement and Criminal Justice Committee reports a favorable recommendation on **H.B. 402**, PAWNSHOP TRANSACTION INFORMATION AMENDMENTS, by Representative R. Lockhart, with the following amendments:

1. *Page 1, Line 14:*

- 14 ▶ defines secondhand merchandise dealers;
 ▶ defines persons and entities who are not secondhand merchandise dealers;

2. *Page 2, Line 35:*

- 35 13-32a-109.8, as enacted by Chapter 290, Laws of Utah 2006
13-32a-111, as last amended by Chapter 290, Laws of Utah 2006

3. *Page 4, Lines 92 through 93:*

- 92 (17) (a) "Secondhand merchandise dealer" means an owner or operator of a
 business that:
93 ~~{(a)}~~ (i) deals in the purchase, exchange, or sale of used or secondhand
 merchandise or

4. *Page 4, Line 95:*

- 95 ~~{(b)}~~ (ii) does not function as a pawnbroker.
(b) "Secondhand merchandise dealer" does not include:
(i) auction houses, flea markets, or vehicle, vessel, and outboard motor dealers as
defined in Section 41-1a-102;
(ii) the sale of secondhand goods at events commonly known as "garage sales," "yard
sales," or "estate sales";
(iii) the sale or receipt of secondhand books, magazines, or post cards;
(iv) the sale or receipt of used merchandise donated to recognized nonprofit, religious,
or charitable organizations or any school-sponsored association for which no

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compensation is paid;
(v) the sale or receipt of secondhand clothing and shoes; or
(vi) any person offering his own personal property for sale, purchase, consignment, or trade via
the Internet;
(vii) any person or entity offering the personal property of others for sale, purchase, consignment, or trade via the Internet, when that person or entity does not have, and is not required to have, a local business or occupational for this activity; or
(viii) an owner or operator of a business that contracts with other persons or entities to offer those persons' secondhand goods for sale, purchase, consignment, or trade via the Internet.

5. Page 11, Line 331:

331 been seized by the law enforcement agency pursuant to Section 13-32a-109.5.

Section 11. Section 13-32A-111 is amended to read:

13-32a-111. Fees to fund training and central database.

(1) On and after January 1, 2005, each pawnshop or secondhand merchandise dealer in operation shall annually pay \$250 to the division, to be deposited in the account.

(2) On and after January 1, 2005, each law enforcement agency that participates in the use of the database shall annually pay to the division a fee of \$2 per sworn law enforcement officer who is employed by the agency as of January 1 of that year. The fee shall be deposited in the account.

(3) The fees under Subsections (1) and (2) shall be paid to the account annually on or before January 30.

(4) (a) If a law enforcement agency outside Utah requests access to the central database, the requesting agency shall pay a yearly fee of \$750 for the fiscal year beginning July 1, 2006, which shall be deposited in the account.

(b) The board may establish the fee amount for fiscal years beginning on and after July 1, 2007 under Section 63-38-3.2.

Please renumber following sections accordingly.

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Respectfully,

DeMar "Bud" Bowman
Committee Chair

Voting: 10-0-1

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