

EXEMPTIONS FOR INTERNET TRADING ASSISTANTS

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House Bill 5955
Sponsor: Rep. Dave Hildenbrand

House Bill 5957
Sponsor: Rep. David Palsrok

House Bill 5956
Sponsor: Rep. Ed Clemente

House Bill 5958
Sponsor: Rep. Michael Nofs

Committee: Energy and Technology
Complete to 4-24-06

A SUMMARY OF HOUSE BILLS 5955-5958 AS INTRODUCED 4-19-06

Generally speaking, the bills would exempt a "trading assistant" from being governed by four separate acts dealing with pawnbrokers, second hand goods dealers, and precious metal and gem dealers. The bills would similarly exempt "a person engaged in the sale, purchase, consignment, or trade of personal property or other valuable thing for himself or herself."

A **trading assistant** would be defined to refer to a person, corporation, or firm that contracts with others to offer its personal property or other valuable things for sale, purchase, consignment, or trade through means of an Internet website and who meets the following conditions

** Has a fixed place of business within this state.

** Has the personal property or other valuables available on a website for viewing by photograph (if available), by the general public at no charge. The website would have to be searchable by zip code and/or by state, and the website viewing would have to include serial number, make, model, and other unique identifying marks, numbers, names, or letters appearing on the item (as applicable).

** Maintains records of the sale, purchase, consignment, or trade of items for at least two years. The records would have to contain a description, photograph (if available), and identifying information as listed earlier.

** Provide local law enforcement with any name under which it conducts business on the website; access to the business premises during normal business hours for inspections; and, within 24 hours of a transaction, an electronic copy of the name, address, telephone number, driver license number and issuing state, and description of the property.

** Provide that payment be executed by means of check or other electronic payment system (but not cash).

** Immediately remove property from the website and notify local law enforcement upon learning it is stolen.

House Bill 5955 would amend Public Act 273 of 1917 (MCL 446.201 and 203), which deals with regulating and licensing pawnbrokers by local units of government.

House Bill 5956 would amend Public Act 231 of 1945 (MCL 445.471 and 476), which regulates pawnbrokers, second hand dealers, and junk dealers.

House Bill 5957 would amend Public Act 350 of 1917 (MCL 445.401 and 403), which provides for local regulation of second hand dealers and junk dealers.

House Bill 5958 would amend the Precious Metal and Gem Dealer Act (MCL 445.482 and 483).

The bills are all tie-barred to one another, meaning that for one to take effect, all must be enacted.

FISCAL IMPACT:

There is no significant fiscal impact on the State of Michigan or its local units of government. There is a possible loss of fee revenue to the State and local units of government, but there is no evidence to suggest trading assistants, as defined in these bills, pay such fees currently.

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Fiscal Analyst: Richard Child

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.