

A Bill for an Act Relating to Secondhand Dealers.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 486M-1, Hawaii Revised Statutes, is amended as follows:

1. By adding a new definition to be appropriately inserted and to read: “Automated recycling kiosk” means an interactive device that is installed within a secure retail space and performs the following technological functions:
 - (1) Only accepts for recycling previously owned handheld electronic cellular phone devices;
 - (2) Verifies a seller’s identity through a combination of technology within the kiosk and remote examination of a government-issued identification by a live representative during each transaction;
 - (3) Securely stores devices accepted by the kiosk;
 - (4) Records images of the seller and the devices accepted during the transaction;
 - (5) Possesses computerized record-keeping and transmittal capabilities;
 - (6) Electronically transmits transaction records to law enforcement within twenty-four hours from when the device was received; and
 - (7) Can be remotely opened upon request by law enforcement during normal business hours.”
2. By amending the definition of “secondhand dealer” to read: “Secondhand dealer” means any person who trades in secondhand or previously owned articles, including the operation of an automated recycling kiosk, and includes any person subject to part VII of chapter 445.”

SECTION 2. Section 486M-4, Hawaii Revised Statutes, is amended to read as follows:

“§486M-4 Minimum retention of items. (a) No dealer, the dealer’s agents, employees, or representatives shall alter, melt, deface, break apart, dispose of, or change the character or integrity of the precious or semiprecious metals or precious or semiprecious gems received or purchased for a period of fifteen calendar days in counties with a population of less than [300,000,] three hundred thousand and thirty calendar days in counties with a population of [300,000] three hundred thousand or more after the purchase or possession by the dealer, whichever comes later. Every article received by the dealer, the dealer’s agents, employees, or representatives shall be retained by the dealer in the county where received or purchased for a period of fifteen calendar days in counties with a population of less than [300,000,] three hundred thousand and thirty calendar days in counties with a population of [300,000] three hundred thousand or more after the purchase or possession by the dealer, whichever comes later.

(b) At the discretion of the chief of police of each county, the holding period may be reduced to fifteen calendar days; provided that the dealer has computerized record-keeping and transmittal capabilities acceptable to the chief of police or the chief of police’s authorized representative.

(c) Notwithstanding subsection (a) to the contrary, a secondhand dealer operating an automated recycling kiosk shall retain previously owned consumer handheld electronic cellular phone devices for a total period of thirty calendar days from the date they were received or purchased; provided that the secondhand dealer operating an automated recycling kiosk may store the previously owned consumer handheld electronic cellular phone devices at a business

location outside the county where the devices were received or purchased; provided further that, upon request by law enforcement within the thirty-day retention period, a secondhand dealer operating an automated recycling kiosk shall promptly return any requested devices no later than five business days from the date of the request at no cost to the requesting law enforcement agency.”

SECTION 3. Section 486M-5, Hawaii Revised Statutes, is amended to read as follows:

“§486M-5 Inspections. The chief of police of each county or the chief of police’s authorized representative may immediately inspect, during normal business hours or whenever the dealer or the dealer’s agents or employees are otherwise present, any records required by this chapter and any articles described in [~~such~~] those records that the police reasonably believe are stolen goods.”

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on January 1, 2022.

(Approved June 24, 2021.)