

Chapter 80G. Bullion Coin Dealers.

MINN. STAT. § 80G.01

Subd. 1. **Scope.** For the purposes of this chapter, the following terms have the meanings given to them in this section.

Subd. 2. **Commissioner.** “Commissioner” means the Commissioner of Commerce.

Subd. 3. **Person.** “Person” has the same meaning as in Minn. Stat. § 325F.68, subd. 3.

Subd. 4. **Coin dealer representative.** “Coin dealer representative” means any natural person acting as an employee, contractor, or agent of a bullion coin dealer and who has interactions with consumers in connection with the buying, selling, solicitation, or marketing of bullion coins or investments in bullion coins.

Subd. 5. **Melt Value.** “Melt value” means the reasonable estimated value of any bullion coins if such item were processed and refined.

Subd. 6. **Bullion Coin.** “Bullion coin” means any coin containing more than one percent by weight of silver, gold, platinum, or other precious metal.

Subd. 7. **Bullion coin dealer.** (a) Subject to the exceptions in paragraph (b), “bullion coin dealer” means any person who buys, sells, solicits, or markets bullion coins or investments in bullion coins to consumers and is either incorporated, registered, domiciled, or otherwise located in the state or who does business with a consumer domiciled, residing, or otherwise located in the state.

(b) A “bullion coin dealer” does not include any of the following:

(1) a person who engages in isolated transactions, consisting of less than five bullion coin transactions with consumers during any 12-month time period;

(2) a person who engages in isolated transactions, consisting of bullion coin transactions with consumers during any 12-month time period that do not exceed \$5,000 in the aggregate as determined by the transactions’ sale prices; or

(3) a person who engages only in wholesale bullion coin transactions with bullion coin dealers who sell at retail and are properly registered under this chapter.

(4) a person who engages only in transactions at occasional “garage” or “yard” sales held at the seller’s residence, or estate sales or farm auctions held at the decedent’s residence.

MINN. STAT. § 80G.02

Subd. 1. **Registration required.** It shall be unlawful for a bullion coin dealer or coin dealer representative to solicit, market, buy, sell, or deliver bullion coins or investments in bullion coins to a consumer without having first registered with the commissioner as provided for in this chapter.

Subd. 2. **Registration obligations.** A bullion coin dealer must register itself and each of its coin dealer representatives with the commissioner. A bullion coin dealer shall verify and certify in the registration of each coin dealer representative application that the representative satisfies the requirements of sections 80G.03 and 80G.04 of this chapter. Registrations approved by the commissioner under this chapter shall expire one year after registration.

Subd. 3. **Registration application.** All applications for registration by a bullion coin dealer and coin dealer representative must be made on forms approved by the commissioner. The commissioner may determine the requirements of the application form, and other materials, if any, that must be appended thereto. At a minimum the application shall include the following, as applicable:

(a) the name and business address of the bullion coin dealer and the name and primary work location of each coin dealer representative. A bullion coin dealer who desires to carry on business in more than one location shall identify each address where business is to be conducted, and

(b) a disclosure by each officer and owner of the bullion coin dealer and each coin dealer representative of all criminal convictions by any court within the last ten years.

Subd. 4. **Notice of address change.** A bullion coin dealer must give the commissioner written notice of a change in the dealer's name, assumed name, business addresses, or ownership no later than 15 days after the change occurs. A coin dealer representative must give written notice of a change of work address or name no later than 30 days after the change occurs.

Subd. 5. **Registration fee.** The fee for each registration under this chapter shall be as follows: Bullion coin dealer \$XXXX. Coin dealer representative: \$XXXX.

MINN. STAT. § 80G.03

Subd. 1. **Registration precluded.** The commissioner shall not accept a registration for a coin dealer representative who has within the last fifteen years, or for a bullion coin dealer whose owners or officers have within the past fifteen years:

(a) been convicted in any court of any felony;
(b) been convicted in any court of any crime involving fraud or deceit, theft, or any financial crime;

(c) been unable to truthfully certify that they have no civil judgments, including but not limited to conciliation court or equivalent judgments, against them for failure to account to a customer for money or property received from the customer; or

(d) been unable to truthfully certify that they have not entered in to a settlement or other agreement with any government entity resolving concerns by the government entity that they had violated consumer protection or unfair trade practices laws.

MINN. STAT. § 80G.04

Subd. 1. **Screening process required.** Each bullion coin dealer must establish procedures to screen each of its owners and officers and each coin dealer representative prior to submitting the application to the commissioner for initial registration and at renewal. The results of such screenings shall be provided to the commissioner as part of the initial registration and all renewal registrations.

Subd. 2. **Initial screening.** The screening process for initial registration must be done prior to the time of hiring and registration. The process must include a national criminal history record search, and a judgment search and county criminal history search for all counties where the applicant has resided within the immediately preceding five years, to determine whether the applicant is eligible to be registered under this chapter. Each bullion coin dealer shall use a vendor that is a member of the National Association of Professional Background Screeners, or an equivalent vendor, to conduct the background screening process on its owners and officers and coin dealer representatives.

Subd. 3. **Renewal screening.** The screening process for the renewal of a coin dealer representative's registration must include a national criminal history record search, and a judgment search and county criminal history search for all counties where the individual has resided since satisfactorily completing the last screening process conducted pursuant to this chapter. Screening for renewal of coin dealer representative registrations must take place no more than 60 days before the registration expiration or renewal date.

MINN. STAT. § 80G.05

Subd. 1. **Surety bond requirement.** Every bullion coin dealer shall maintain a current, valid surety bond issued by a surety company admitted to do business in Minnesota in an amount no less than the transactions (purchases and sales) during the 12 month period prior to registration.

Subd. 2. **Action on bond permitted.** An aggrieved consumer may file a claim with the surety and, if the claim is not paid, is authorized to bring an action based on the bond and recover against the surety. The commissioner or attorney general may also file a claim and bring an action on the bond and recover against the surety on behalf of an aggrieved consumer.

MINN. STAT. § 80G.06

Prior to the sale of any bullion coins, a bullion coin dealer must disclose to the consumer in a clear and conspicuous manner the sale price and melt value of the bullion coins involved in the transaction.

MINN. STAT. § 80G.07

Subd. 1. **Prohibited conduct.** No bullion coin dealer or coin dealer representative shall:

(a) fail to deliver bullion coins to a consumer within the time agreed upon with the consumer or, if no such agreement exists, within 30 days after the consumer has paid for the coins;

(b) fail to pay a seller for purchased bullion coins within the time agreed upon with the consumer or, if no such agreement exists, within 30 days after the consumer has provided the coins;

(c) fail to provide an invoice at the time of the transaction describing the nature of the bullion coins involved in the transaction, the quantity of bullion coins involved in the transaction, and the bullion coins' sale price and melt value;

(d) misrepresent the value of the bullion coins, the delivery date of coins or payment for coins, or the dealer or representative's professional qualifications, affiliations, or registration;

(e) misrepresent the manner in which any coins a consumer provides will be stored or otherwise handled once received;

(f) renegotiate the terms of a sale after receiving a consumer's payment or coins without first offering the consumer the option to have the payment fully refunded or the entirety of the coins returned;

(g) fail to respond within 3 business days to a consumer inquiry about the delivery status of coins that the consumer has paid for but not yet received or the status of a payment for coins that the consumer has already provided;

(h) telephone or solicit a consumer, or sell or provide the consumer's name to any other bullion coin dealer or coin dealer representative, after the consumer requests not to be contacted;

(i) violate any other Minnesota law or rule.

MINN. STAT. § 80G.08

Subd. 1. **Investigations; enforcement.** The commissioner has all authority provided to him or her under section 45.027 to ensure compliance with this chapter, including but not limited to the authority to deny, suspend, or revoke the registration of any bullion coin dealer or coin dealer representative for any violation of this chapter or any other Minnesota law. Appeal from a denial, suspension, revocation of registration must be made according to chapter 14.

Subd. 2. **Violation consumer fraud.** A violation of this chapter is a violation of section 325F.69, subdivision 1, and the provisions of section 8.31 apply.

MINN. STAT. § 80G.09

A person who conducts business as a bullion coin dealer or as a coin dealer representative without having first registered with the commissioner, or who carries on such business after the revocation, suspension, or expiration of a registration, or who violates section 80G.07, subd. 1(a) or (b), is guilty of a misdemeanor.

MINN. STAT. § 80G.10

Nothing in this chapter precludes an action under chapter 80A.