RHODE ISLAND GOVERNMENT REGISTER

PUBLIC NOTICE OF PROPOSED RULEMAKING

ATTORNEY GENERAL

Title of Rule: Rules and Regulations for Regulated Metals

Rule Identifier: 110-RICR-20-00-3

Rulemaking Action: Proposed Adoption

Important Dates:

Date of Public Notice:
End of Public Comment:

Rulemaking Authority:

R.I. Gen. Laws § 6-11.2.

Summary of Rulemaking Action:

The proposed regulations are being promulgated, pursuant to R.I. Gen. Laws § 6-11.2, to promote consumer protection for Rhode Islanders by regulating the trade in regulated metals. The proposed regulations are intended to establish consistent requirements for conducting regulated-metals business in Rhode Island and to allow for consistent oversight by the Office of the Attorney General (the "Office"). The proposed regulations contain provisions similar to existing rules and regulations governing the trade of precious metals.

The proposed regulations outline the conduct of business related to regulated metals, specifically relating to the license application process, the application fee structure, the requirements imposed on the licensee when conducting business and on the seller when trying to sell property, and the Office's ability to monitor dealer compliance. The proposed regulations establish a regulatory framework for the regulated-metals trade and provide consistent requirements for regulated-metals businesses in Rhode Island.

The proposed regulations:

- Establish requirements concerning the regulated-metals license application process;
- Establish an application fee structure;
- Specify requirements imposed on licensees when conducting regulated-metals business;
- Specify requirements applicable to sellers seeking to sell regulated metals;
- Provide for monitoring of dealer compliance by the Office; and
- Provide consistent requirements for conducting regulated-metals business in Rhode Island and appropriate oversight by the Office.

Overall, the proposed regulations are intended to promote consumer protection, provide consistent regulatory requirements, and establish an appropriate framework for Office oversight of the regulated-metals trade.

Additional Information and Public Comments:

All interested parties are invited to request additional information or submit written or oral comments concerning the proposed amendment until _____ by contacting the appropriate party at the address listed below:

Farren Fuquea
Rules Coordinator | Deputy Chief of Policy & Legislation
150 S. Main Street
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In accordance with R.I. Gen. Laws § 42-35-2.8, an oral hearing will be granted if requested by twenty-five (25) persons, by a governmental agency or by an association having at least twenty-five (25) members. A request for an oral hearing must be made within ten (10) days of the publication of this notice.

Regulatory Analysis Summary and Supporting Documentation

Pursuant to R.I. Gen. Laws § 6-11.2, the Office is authorized to promulgate any rules and regulations necessary to carry out the duties and responsibilities of the referenced chapter. The proposed regulations offer similar provisions to the existing rules and regulations that govern the trade of precious metals. The proposed regulations are intended to promote consumer protection for Rhode Island residents by establishing requirements governing the regulated-metals trade.

By proposing regulations overseeing the regulated-metals trade, the Office is ensuring compliance, oversight, and consistency in the business. Clear requirements for licensees and sellers are intended to provide greater consistency in regulated-metals transactions and to reduce the potential for noncompliance with applicable law. The proposed regulations establish a consistent framework for the regulated-metals trade, including incensing, fees, business requirements, seller requirements, and compliance monitoring. A defined regulatory structure should facilitate more consistent administration and oversight of regulated-metals dealers and provide the Office with clearer mechanisms for evaluating compliance. The proposed regulations will support implementation and enforcement of statutory requirements governing regulated metals.

The costs to licensed are minimal and ensure that those who are trading in regulated metals are complying with existing and applicable state law. Small businesses will be regulated under the proposed regulations and the anticipated burden on affected businesses will be administrative rather than any significant capital expenditure. These regulations represent the most effective and least burdensome method to promote consumer protection in the regulated metals trade.

For full regulatory analysis or supporting documentation contact the agency contact listed above.