

SB 99 INTRODUCED BY GALT, HIMSL, MEYER, ET AL.
REQUIRE DEALER, WHOLESALE SELLER TO DISCLOSE
GEMSTONE TREATMENT

1/14	INTRODUCED		
1/14	REFERRED TO BUSINESS & INDUSTRY		
1/20	HEARING		
2/17	COMMITTEE REPORT--BILL PASSED AS AMENDED		
2/19	2ND READING PASSED	50	0
2/21	3RD READING PASSED	49	0
	TRANSMITTED TO HOUSE		
2/23	REFERRED TO BUSINESS & LABOR		
3/11	HEARING		
3/17	TABLED IN COMMITTEE		

1 *Senate* BILL NO. 99
 2 INTRODUCED BY *Michael Morgan Beck*
 3 *Sgt. Blaylock Yellowtail*

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE DISCLOSURE
 5 OF GEM STONE TREATMENT BY DEALER AND WHOLESALE SELLER; TO
 6 PROVIDE FOR CIVIL CAUSE OF ACTION AGAINST DEALER AND
 7 WHOLESALE SELLER FOR FAILURE TO DISCLOSE GEM STONE
 8 TREATMENT; AND PROVIDING AN APPLICABILITY DATE."

9
 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. Definitions. As used in [this act], the
 12 following definitions apply:

13 (1) "Dealer in gem stones" or "gem stone dealer" means
 14 a person, partnership, association, corporation, or other
 15 business entity that offers for sale or sells gem stones or
 16 gem stone jewelry to the general public.

17 (2) "Gem stone" means a precious or semiprecious
 18 naturally occurring stone, mineral, or petrified material.

19 (3) "Gem stone treatment", "treatment", or "treated"
 20 means any process or combination of processes that enhances
 21 the color or appearance of a gem stone, except faceting or
 22 polishing, that is accepted by established practice. Gem
 23 stone treatment includes:

- 24 (a) staining and dyeing;
- 25 (b) tinting and laser drilling;

- 1 (c) irradiation;
- 2 (d) heat treatment;
- 3 (e) surface modification; or
- 4 (f) impregnation with wax, paraffin, glass, plastic,
 5 or colored oil.

6 Section 2. Disclosure of gem stone treatment required.

7 (1) (a) A dealer in gem stones may not offer for sale or
 8 sell any gem stone that he knows or has reason to know has
 9 been subjected to a gem stone treatment unless he discloses
 10 to the purchaser the fact that the gem stone has been
 11 treated or his reasonable belief that it has been treated.

12 (b) The dealer shall display prominently a sign
 13 stating that specific information relating to the treatment
 14 of gem stones sold by the dealer will be furnished to the
 15 purchaser upon request.

16 (c) The dealer shall state on the sales receipt of a
 17 gem stone sold by him one of the following:

18 (i) This gem stone has been treated by (explain the
 19 kind of gem stone treatment the gem stone has been given).

20 (ii) This gem stone is natural and has not been
 21 treated.

22 (iii) The dealer does not know if this gem stone has
 23 been treated.

24 (d) A purchaser may not bring an action against the
 25 dealer for the dealer's failure to disclose that a gem stone



1 has been treated if the purchaser accepts the gem stone
 2 after the dealer informs the purchaser either that the gem
 3 stone has been treated or that the dealer does not know if
 4 the gem stone has been treated.

5 (2) A wholesale seller of gem stones shall disclose to
 6 a dealer who purchases a gem stone from the wholesale seller
 7 any treatment the gem stone has been given.

8 Section 3. Civil action for failure to disclose gem
 9 stone treatment -- no time limitation. (1) A purchaser who
 10 is injured by a gem stone dealer's failure to make the
 11 disclosure as required by [section 2] may bring a civil
 12 action to recover:

13 (a) the purchase price of the gem stone;

14 (b) any costs incurred in determining that the gem
 15 stone has been treated; and

16 (c) damages in the amount of the greater of 10% of the
 17 purchase price or \$200.

18 (2) A gem stone dealer who is injured by a gem stone
 19 wholesale seller's failure to make the disclosure as
 20 required by [section 2] may bring a civil action against the
 21 wholesale seller to recover any damages suffered due to the
 22 wholesale seller's failure to disclose gem stone treatment.

23 (3) Notwithstanding any other provision of law, there
 24 is no limit on the period in which an action may be brought
 25 under this section.

1 Section 4. Applicability. This act applies to gem
 2 stone sales contracted after the effective date of this act.

-End-

APPROVED BY COMM. ON
BUSINESS & INDUSTRY

SENATE BILL NO. 99

INTRODUCED BY GALT, HIMSL, MEYER, BECK,
LYBECK, B. WILLIAMS, BLAYLOCK, YELLOWTAIL

A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE DISCLOSURE
OF GEM--STONE SAPPHIRE TREATMENT BY DEALER AND WHOLESALE
SELLER; TO PROVIDE FOR CIVIL CAUSE OF ACTION AGAINST DEALER
AND WHOLESALE SELLER FOR FAILURE TO DISCLOSE GEM--STONE
SAPPHIRE TREATMENT; AND PROVIDING AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Definitions. As used in [this act], the
following definitions apply:

(1) "Dealer in gem--stones SAPPHIRES" or "gem--stone
SAPPHIRE dealer" means a person, partnership, association,
corporation, or other business entity that offers for sale
or sells gem--stones SAPPHIRES or gem--stone SAPPHIRE jewelry
to the general public.

~~{2}--"Gem--stone"--means--a--precious--or--semiprecious
naturally-occurring-stone,-mineral,-or--petrified--material-~~

~~{3}{2}~~ "Gem--stone SAPPHIRE treatment", "treatment", or
"treated" means any process or combination of processes that
enhances the color or appearance of a gem--stone SAPPHIRE,
except faceting or polishing, that is accepted by
established practice. Gem--stone SAPPHIRE treatment includes

BUT IS NOT LIMITED TO:

- (a) staining and, dyeing, AND BLEACHING;
- (b) tinting and laser drilling;
- (c) irradiation;
- (d) heat treatment;
- (e) surface modification; or
- (f) impregnation with wax, paraffin, glass, plastic,
or CLEAR OR colored oil.

Section 2. Disclosure of gem--stone SAPPHIRE treatment
required. (1) (a) A dealer in gem--stones SAPPHIRES may not
offer for sale or sell any gem--stone SAPPHIRE that he knows
or has reason to know has been subjected to a gem--stone
SAPPHIRE treatment unless he discloses to the purchaser the
fact that the gem--stone SAPPHIRE has been treated or his
reasonable belief that it has been treated.

(b) The ON PURCHASING A BUSINESS LICENSE, THE dealer
shall display prominently a sign stating that specific
information relating to the treatment of gem--stones
SAPPHIRES sold by the dealer will be furnished to the
purchaser upon request.

(c) The dealer shall state on the sales receipt of a
gem--stone SAPPHIRE sold by him one of the following:

- (i) This gem--stone SAPPHIRE has been treated by
(explain the kind of gem--stone treatment the SAPPHIRE gem
stone has been given).



1 (ii) This gem-stone SAPPHIRE is natural and has not
2 been treated.

3 (iii) The dealer does not know if this gem-stone
4 SAPPHIRE has been treated.

5 (d) A purchaser may not bring an action against the
6 dealer for the dealer's failure to disclose that a gem-stone
7 SAPPHIRE has been treated if the purchaser accepts the gem
8 stone SAPPHIRE after the dealer informs the purchaser either
9 that the gem-stone SAPPHIRE has been treated or that the
10 dealer does not know if the gem-stone SAPPHIRE has been
11 treated.

12 (2) A wholesale seller of gem-stones SAPPHIRES shall
13 disclose IN WRITING to a dealer who purchases a gem-stone
14 SAPPHIRE from the wholesale seller any treatment the gem
15 stone SAPPHIRE has been given.

16 Section 3. Civil action for failure to disclose gem
17 stone SAPPHIRE treatment -- no time limitation. (1) A
18 purchaser who is injured by a gem-stone SAPPHIRE dealer's
19 failure to make the disclosure as required by [section 2]
20 may bring a civil action to recover:

21 (a) the purchase price of the gem-stone SAPPHIRE;

22 (b) any costs incurred in determining that the gem
23 stone SAPPHIRE has been treated; and

24 (c) damages in the amount of the greater of 10% of the
25 purchase price or \$200.

1 (2) A gem-stone SAPPHIRE dealer who is injured by a
2 gem--stone SAPPHIRE wholesale seller's failure to make the
3 disclosure as required by [section 2] may bring a civil
4 action against the wholesale seller to recover any damages
5 suffered due to the wholesale seller's failure to disclose
6 gem-stone SAPPHIRE treatment.

7 (3) Notwithstanding any other provision of law, there
8 is no limit on the period in which an action may be brought
9 under this section.

10 Section 4. Applicability. This act applies to gem
11 stone SAPPHIRE sales contracted ON AND after the effective
12 date of this act.

-End-

1 SENATE BILL NO. 99

2 INTRODUCED BY GALT, HIMSL, MEYER, BECK,
3 LYBECK, B. WILLIAMS, BLAYLOCK, YELLOWTAIL

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE DISCLOSURE
6 OF GEM--STONE SAPPHIRE TREATMENT BY DEALER AND WHOLESALE
7 SELLER; TO PROVIDE FOR CIVIL CAUSE OF ACTION AGAINST DEALER
8 AND WHOLESALE SELLER FOR FAILURE TO DISCLOSE GEM--STONE
9 SAPPHIRE TREATMENT; AND PROVIDING AN APPLICABILITY DATE."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Definitions. As used in [this act], the
13 following definitions apply:

14 (1) "Dealer in gem--stones SAPPHIRES" or "gem--stone
15 SAPPHIRE dealer" means a person, partnership, association,
16 corporation, or other business entity that offers for sale
17 or sells gem--stones SAPPHIRES or gem--stone SAPPHIRE jewelry
18 to the general public.

19 {2}--"Gem--stone"--means--a--precious--or--semiprecious
20 naturally-occurring-stone, mineral, or--petrified--material;

21 {3}{2} "Gem--stone SAPPHIRE treatment", "treatment", or
22 "treated" means any process or combination of processes that
23 enhances the color or appearance of a gem--stone SAPPHIRE,
24 except faceting or polishing, that is accepted by
25 established practice. Gem--stone SAPPHIRE treatment includes

1 BUT IS NOT LIMITED TO:

- 2 (a) staining and, dyeing, AND BLEACHING;
3 (b) tinting and laser drilling;
4 (c) irradiation;
5 (d) heat treatment;
6 (e) surface modification; or
7 (f) impregnation with wax, paraffin, glass, plastic,
8 or CLEAR OR colored oil.

9 Section 2. Disclosure of gem--stone SAPPHIRE treatment
10 required. (1) (a) A dealer in gem--stones SAPPHIRES may not
11 offer for sale or sell any gem--stone SAPPHIRE that he knows
12 or has reason to know has been subjected to a gem--stone
13 SAPPHIRE treatment unless he discloses to the purchaser the
14 fact that the gem--stone SAPPHIRE has been treated or his
15 reasonable belief that it has been treated.

16 (b) THE ON PURCHASING A BUSINESS LICENSE, THE dealer
17 shall display prominently a sign stating that specific
18 information relating to the treatment of gem--stones
19 SAPPHIRES sold by the dealer will be furnished to the
20 purchaser upon request.

21 (c) The dealer shall state on the sales receipt of a
22 gem--stone SAPPHIRE sold by him one of the following:

23 (i) This gem--stone SAPPHIRE has been treated by
24 (explain the kind of gem--stone treatment the SAPPHIRE gem
25 stone has been given).

1 (ii) This gem-stone SAPPHIRE is natural and has not
2 been treated.

3 (iii) The dealer does not know if this gem-stone
4 SAPPHIRE has been treated.

5 (d) A purchaser may not bring an action against the
6 dealer for the dealer's failure to disclose that a gem-stone
7 SAPPHIRE has been treated if the purchaser accepts the gem
8 stone SAPPHIRE after the dealer informs the purchaser either
9 that the gem-stone SAPPHIRE has been treated or that the
10 dealer does not know if the gem-stone SAPPHIRE has been
11 treated.

12 (2) A wholesale seller of gem-stones SAPPHIRES shall
13 disclose IN WRITING to a dealer who purchases a gem-stone
14 SAPPHIRE from the wholesale seller any treatment the gem
15 stone SAPPHIRE has been given.

16 Section 3. Civil action for failure to disclose gem
17 stone SAPPHIRE treatment -- no time limitation. (1) A
18 purchaser who is injured by a gem-stone SAPPHIRE dealer's
19 failure to make the disclosure as required by [section 2]
20 may bring a civil action to recover:

21 (a) the purchase price of the gem-stone SAPPHIRE;

22 (b) any costs incurred in determining that the gem
23 stone SAPPHIRE has been treated; and

24 (c) damages in the amount of the greater of 10% of the
25 purchase price or \$200.

1 (2) A gem-stone SAPPHIRE dealer who is injured by a
2 gem--stone SAPPHIRE wholesale seller's failure to make the
3 disclosure as required by [section 2] may bring a civil
4 action against the wholesale seller to recover any damages
5 suffered due to the wholesale seller's failure to disclose
6 gem-stone SAPPHIRE treatment.

7 (3) Notwithstanding any other provision of law, there
8 is no limit on the period in which an action may be brought
9 under this section.

10 Section 4. Applicability. This act applies to gem
11 stone SAPPHIRE sales contracted ON AND after the effective
12 date of this act.

-End-