



House of Representatives

General Assembly

File No. 112

January Session, 2009

Substitute House Bill No. 6519

House of Representatives, March 19, 2009

The Committee on General Law reported through REP. SHAPIRO of the 144th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING PAWNBROKERS, PRECIOUS METAL AND STONE DEALERS AND THE RECOVERY OF STOLEN JEWELRY AND PRECIOUS METALS AND STONES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 21-41 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2009*):

3 (a) No pawnbroker or person who loans money on the deposit or
4 pledge of wearing apparel, jewelry, ornaments, household goods or
5 other personal property or purchases such property on condition of
6 selling the same back again at a stipulated price or purchases such
7 property from a person who is not a wholesaler shall take, receive or
8 purchase such property without receiving proof of the identity of the
9 person depositing, pledging or selling the property. Such identification
10 shall include a photograph, an address, if available on the
11 identification, and an identifying number. Any person who wilfully
12 violates any provision of this subsection shall, for a first violation, have
13 committed an infraction and, for a second or subsequent violation

14 committed within two years of a prior violation, be guilty of a class A
15 misdemeanor.

16 (b) Each such pawnbroker or person carrying on such business of
17 loaning money on the deposit or pledge of personal property or of
18 purchasing such property on condition of selling the same back again
19 at a stipulated price or of purchasing such property from a person who
20 is not a wholesaler shall maintain a record-keeping system deemed
21 appropriate by the chief of police in cities and by the selectmen in
22 towns, in which shall be entered in English, at the time he receives any
23 article of personal property by way of pledge, pawn or purchase, a
24 description of such article, the name, residence, proof of identity as
25 required in subsection (a) of this section and a general description of
26 the person from whom, and the day and hour when, such property
27 was received. Such record-keeping system shall include a photograph
28 of any jewelry received by such pawnbroker or person pursuant to this
29 section. Such photograph shall be maintained by such pawnbroker or
30 person for not less than sixty days after they have taken possession of
31 such jewelry. Such record-keeping system and the place where such
32 business is carried on and all articles of property therein may be
33 examined at all times by any state police officer, by any municipal
34 police officer, by the selectmen of the town or any person by them
35 designated or, if such business is carried on in a city, by the chief of
36 police of such city or any person by him designated. Any state police
37 officer or municipal police officer of the town or city where the
38 business is carried on who performs such an examination may require
39 any employee on the premises to provide proof of his identity.

40 Sec. 2. Section 21-100 of the general statutes is repealed and the
41 following is substituted in lieu thereof (*Effective October 1, 2009*):

42 (a) No person may engage in or carry on the business of purchasing
43 gold or gold-plated ware, silver or silver-plated ware, platinum ware,
44 watches, jewelry, precious stones or coins unless such person is
45 licensed by the chief of police or, if there is no chief of police, the first
46 selectman of the municipality in which such person intends to carry on

47 such business; except that the provisions of this subsection shall not
48 apply to the purchase of such items from a wholesaler by a
49 manufacturer or retail seller whose primary place of business is located
50 in this state. Such person shall pay an annual fee of ten dollars for such
51 license. The license may be revocable for cause, which shall include,
52 but not be limited to, failure to comply with any requirements for
53 licensure specified by the licensing authority at the time of issuance. A
54 chief of police or first selectman shall refuse to issue a license under
55 this subsection to a person who has been convicted of a felony. A chief
56 of police or first selectman may require any applicant for a license to
57 submit to state and national criminal history records checks. If the
58 chief of police or first selectman requires such criminal history records
59 checks, such checks shall be conducted in accordance with section 29-
60 17a. For the purposes of this subsection "wholesaler" means a person in
61 the business of selling tangible personal property to be resold at retail
62 or raw materials to be manufactured into suitable forms for use by
63 consumers.

64 (b) Each such licensed person shall keep a record in which he shall
65 note at the time of each transaction a description of the goods
66 purchased and the price paid for them, the name and address of the
67 person selling the goods and the date and hour any such goods were
68 received. Each such licensed person shall demand positive
69 identification from the person selling the article and the type or form
70 of identification received shall be noted in the record. Any state police
71 officer or municipal police officer shall have access to the record
72 required to be kept under this section and may inspect the place where
73 the business is carried on as well as any goods purchased or received.

74 (c) No such licensed person may purchase any goods from a minor
75 unless such minor is accompanied by a parent or guardian. Each such
76 licensed person may only pay for goods received by check, draft or
77 money order and no cash shall be transferred to either party in the
78 course of a transaction subject to the provisions of this section.

79 (d) At the time of making any purchase each licensed person shall

80 deliver to the person selling goods a receipt containing the information
81 required to be recorded in subsection (b) of this section, the amount
82 paid for any goods sold and the name and address of the purchaser.

83 (e) Upon request of the licensing authority each such licensed
84 person shall make a weekly sworn statement, describing the goods
85 received and setting forth the name and address of each person from
86 whom goods were purchased, to the chief of police or first selectman
87 of each municipality in which he transacted business that week. Such
88 sworn statement shall not be deemed public records for the purposes
89 of the Freedom of Information Act, as defined in section 1-200.

90 (f) Any goods purchased by a person licensed pursuant to this
91 section shall be retained by such person for not less than ten days
92 before resale or transfer of such goods.

93 ~~[(f)]~~ (g) Any person who violates any provision of this section shall
94 be fined not more than one thousand dollars.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2009	21-41
Sec. 2	October 1, 2009	21-100

GL *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note**State Impact:** None**Municipal Impact:** None

OLR Bill Analysis**sHB 6519*****AN ACT CONCERNING PAWNBROKERS, PRECIOUS METAL AND STONE DEALERS AND THE RECOVERY OF STOLEN JEWELRY AND PRECIOUS METALS AND STONES.*****SUMMARY:**

This bill requires pawnbrokers to keep a photograph of any jewelry received for at least 60 days. It also requires precious metal and stone dealers to hold any goods purchased for at least 10 days before resale or transfer.

EFFECTIVE DATE: October 1, 2009

BACKGROUND***Pawnbrokers' Record-Keeping***

By law, pawnbrokers must keep records of their purchases. Local officials who license pawnbrokers (police chiefs in cities and the selectmen in other towns) must determine the appropriate system in which pawnbrokers must record their purchases. This record must describe the goods received; the name, address, and proof of identity of the person from whom they were received; and the time and date the goods were received. The identification must include a photograph, address, and, if available on the identification, an indentifying number (CGS § 21-41).

Precious Metal and Stone Dealers

A "precious metal and stone dealer" is anyone who is in the business of buying gold; silver; items plated with gold, silver, or platinum; watches; jewelry; precious stones; or coins. The law requires these dealers to be licensed by the chief of police, or if there is none, the first selectman of the municipality in which they do business. Licenses

may be revoked for cause and licensing authorities may not issue them to anyone convicted of a felony. The licensing authority may require an applicant to submit to state and national criminal history records checks. Precious metal and stone dealers are not currently required to retain purchased goods for a specified period (CGS § 21-100).

COMMITTEE ACTION

General Law Committee

Joint Favorable Substitute

Yea 13 Nay 5 (03/05/2009)