



General Assembly

**Substitute Bill No. 5390**

February Session, 2012

\* \_\_\_\_\_HB05390PS\_\_\_\_\_031512\_\_\_\_\_\*

**AN ACT CONCERNING PRECIOUS METALS OR STONES DEALERS.**

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

1 Section 1. Section 21-100 of the 2012 supplement to the general  
2 statutes is repealed and the following is substituted in lieu thereof  
3 (*Effective October 1, 2012*):

4 (a) No person may engage in or carry on the business of purchasing  
5 gold or gold-plated ware, silver or silver-plated ware, platinum ware,  
6 watches, jewelry, precious stones, bullion or coins unless such person  
7 is licensed as a precious metals or stones dealer by the licensing  
8 authority of the municipality in which such person intends to carry on  
9 such business; except that the provisions of this subsection shall not  
10 apply to the purchase of such items from a wholesaler by a  
11 manufacturer or retail seller whose primary place of business is located  
12 in this state. Such person shall pay an annual fee of ten dollars for such  
13 license. The license may be revocable for cause, which shall include,  
14 but not be limited to, failure to comply with any requirements for  
15 licensure specified by the licensing authority at the time of issuance.  
16 The licensing authority shall refuse to issue a license under this  
17 subsection to a person who has been convicted of a felony and may  
18 require any applicant for a license to submit to state and national  
19 criminal history records checks. If the licensing authority requires such  
20 criminal history records checks, such checks shall be conducted in

21 accordance with section 29-17a. For the purposes of this subsection  
22 "wholesaler" means a person in the business of selling tangible  
23 personal property to be resold at retail or raw materials to be  
24 manufactured into suitable forms for use by consumers.

25 (b) Any person who wilfully engages in the business of a precious  
26 metals or stones dealer [.] unless licensed in accordance with this  
27 section or after notice that such person's license has been suspended or  
28 revoked [.] shall be guilty of a class D felony.

29 (c) No licensee shall purchase gold or gold-plated ware, silver or  
30 silver-plated ware, platinum ware, watches, jewelry, precious stones,  
31 bullion or coins without receiving proof of the identity of the person  
32 selling the property if such person is not a wholesaler. Such  
33 identification shall include a photograph, an address, if available on  
34 the identification, and an identifying number, including, but not  
35 limited to, date of birth.

36 [(c) Each such licensee shall keep a record in which such licensee  
37 shall note at the time of each transaction a description of the property  
38 purchased and the price paid for them, the name and address of the  
39 person selling the goods and the date and hour any such property was  
40 received. Each such licensee shall demand positive identification from  
41 the person selling the article and the type or form of identification  
42 received shall be noted in the record.]

43 (d) Each licensee shall maintain a record-keeping system deemed  
44 appropriate by the licensing authority in which shall be entered in  
45 English, at the time the licensee purchases any property, a description  
46 of the property and the name, the residence address, the proof of  
47 identity as required by this section and a general description of the  
48 person from whom, and the date and hour when, the property was  
49 purchased and in which, if the property does not contain any  
50 identifiable numbers or markings, shall be included a digital  
51 photograph of such property. Each entry in such record-keeping  
52 system shall be numbered consecutively. Such number shall be visible

53 in the digital photograph required by this subsection and shall be  
54 retained with the property purchased or received until the sale or other  
55 disposition of the property. Any state police officer or municipal police  
56 officer shall have access to the record required to be kept under this  
57 section and may inspect the place where the business is carried on as  
58 well as any [goods] property purchased or received. Any state police  
59 officer or municipal police officer who performs such an examination  
60 may require any employee on the premises to provide proof of such  
61 employee's identity. All records maintained pursuant to this section  
62 shall be retained by the licensee for not less than two years. The  
63 licensee shall maintain a place of business within this state, at which  
64 the [goods] property purchased or received and the required records  
65 shall be available for such inspection.

66 (e) Except as provided in subsection (f) of this section, the  
67 description of any property purchased by a licensee under this section  
68 shall include, but not be limited to, all distinguishing marks, names of  
69 any kind, including brand and model names, model and serial  
70 numbers, engravings, etchings, affiliation with any institution or  
71 organization, dates, initials, color, vintage or image represented.

72 (f) The licensing authority may provide for an exemption from the  
73 requirements of subsection (e) of this section, or establish additional or  
74 different requirements concerning the description of any property  
75 purchased by a licensee, upon consideration of the nature of the  
76 property, transaction or business, including, but not limited to, articles  
77 in bulk lots or articles of minimal value.

78 ~~[(d)]~~ (g) No licensee may purchase any property from a minor  
79 unless such minor is accompanied by a parent or guardian.

80 ~~[(e)]~~ (h) Each such licensee may only pay for property received by  
81 check or money order and no cash shall be transferred to either party  
82 in the course of a transaction subject to the provisions of this section.  
83 The licensee shall retain the electronic copy of such check or other  
84 record issued by the financial institution that processed such check,

85 and such copy or record shall be subject to inspection in accordance  
86 with this section as part of the record-keeping system. The licensee  
87 shall indicate on each such instrument the number or numbers  
88 associated with such property in the record-keeping system required  
89 to be maintained pursuant to this section. Any licensee who pays cash  
90 or cashes a check or money order shall be guilty of a class A  
91 misdemeanor. No licensee may advertise that he or she will pay for  
92 property received with cash.

93 [(f)] (i) At the time of making any purchase each licensee shall  
94 deliver to the person selling property a receipt containing the  
95 information required to be recorded in subsection [(c)] (d) of this  
96 section, the amount paid for any property sold and the name and  
97 address of the purchaser.

98 [(g)] Upon request of the licensing authority each such licensee shall  
99 make a weekly sworn statement, describing the goods received and  
100 setting forth the name and address of each person from whom goods  
101 were purchased, to the licensing authority of each municipality in  
102 which the licensee transacted business that week.]

103 (j) Each licensee shall submit to the licensing authority, on a weekly  
104 basis, a sworn statement of his or her transactions, describing the  
105 property purchased and setting forth the nature and terms of the  
106 transaction and the name and residence address and a description of  
107 the person from whom the property was purchased. Such statement  
108 shall be in an electronic format prescribed by the licensing authority.  
109 The licensing authority may grant exemptions from the requirement of  
110 submitting such statements in an electronic format for good cause  
111 shown. Such sworn statement shall not be deemed a public [records]  
112 record for the purposes of the Freedom of Information Act, as defined  
113 in section 1-200.

114 (k) No licensee shall sell or dispose of any property acquired in any  
115 transaction in the course of business in less than ten days after the date  
116 of the submission of the statement concerning such transaction in

117 accordance with subsection (j) of this section. Upon the sale or  
118 disposition of such property, such licensee shall, if such property is not  
119 sold at retail at the place of business of such licensee, include a record  
120 of such sale or disposition in the record-keeping system required by  
121 this section.

122 (l) Whenever property is seized from the place of business of a  
123 precious metals or stones dealer by a law enforcement officer, the  
124 officer shall give the dealer a duly signed receipt for the property  
125 containing a case number, a description of the property, the reason for  
126 the seizure, the name and address of the officer, the name and address  
127 of the person claiming a right to the property prior to the dealer and  
128 the name of the dealer. If the dealer claims an ownership interest in  
129 such property, the dealer may request the return of such property by  
130 filing a request for such property with the law enforcement agency in  
131 accordance with the provisions of section 54-36a. If the seller of any  
132 property purchased by the dealer is convicted of any offense arising  
133 out of the dealer's acquisition of the property and the dealer suffered  
134 an economic loss as a result of such offense, the court may, at the time  
135 of sentencing, order restitution to the dealer pursuant to subsection (c)  
136 of section 53a-28, which order may be enforced in accordance with  
137 section 53a-28a.

138 [(h)] (m) Any person who violates any provision of this section, for  
139 which no other penalty is provided, shall be fined not more than one  
140 thousand dollars.

141 Sec. 2. Section 21-46a of the 2012 supplement to the general statutes  
142 is repealed and the following is substituted in lieu thereof (*Effective*  
143 *October 1, 2012*):

144 Whenever property is seized from the place of business of a  
145 pawnbroker [, precious metals or stones dealer or secondhand dealer]  
146 by a law enforcement officer, such officer shall give the pawnbroker [,  
147 precious metals or stones dealer or secondhand dealer] a duly signed  
148 receipt for the property containing a case number, a description of the

149 property, the reason for the seizure, the name and address of the  
150 officer, the name and address of the person claiming a right to the  
151 property prior to the pawnbroker [, precious metals or stones dealer or  
152 secondhand dealer] and the name of the pawnbroker, [, precious  
153 metals or stones dealer or secondhand dealer.] If the pawnbroker [,  
154 precious metals or stones dealer or secondhand dealer] claims an  
155 ownership interest in such property, he or she may request the return  
156 of such property by filing a request for such property with the law  
157 enforcement agency in accordance with the provisions of section 54-  
158 36a. If the person who deposited, pledged or sold any property  
159 received by a pawnbroker [or dealer] is convicted of any offense  
160 arising out of such pawnbroker's [or dealer's] acquisition, retention or  
161 disposition of the property and such pawnbroker [or dealer] suffered  
162 an economic loss as a result of such offense, the court, at the time of  
163 sentencing, may order restitution to such pawnbroker [or dealer]  
164 pursuant to subsection (c) of section 53a-28 and such order may be  
165 enforced in accordance with section 53a-28a.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2012</i>	21-100
Sec. 2	<i>October 1, 2012</i>	21-46a

**PS**            *Joint Favorable Subst.*