

OFFICE OF LEGISLATIVE RESEARCH
PUBLIC ACT SUMMARY



PA 12-72—SB 195

*Public Safety and Security Committee
Planning and Development Committee*

**AN ACT CONCERNING THE STORAGE OF STOLEN PROPERTY BY
LAW ENFORCEMENT AGENCIES AND THE PAYMENT FOR
PROPERTY RECEIVED BY PRECIOUS METALS OR STONES
DEALERS**

SUMMARY: By law, law enforcement agencies must inventory property they seize in connection with an arrest or under a search warrant. In the case of an arrest, they must file the inventory report with the court clerk for the geographical area where the crime was allegedly committed if the property was stolen and, in the law enforcement officer's opinion, valued at more than \$250. This act increases the threshold from \$250 to \$1,000. By law, the agencies may return stolen property to an owner if the value is equal to or less than the threshold.

The act allows any precious metals or stones dealer who was also a licensed pawnbroker on March 31, 2011, and continues to hold such a license, to pay for property received as a precious metals or stones dealer in the manner authorized under the pawnbroker statutes until July 1, 2021, as long as the dealer complies with the statutes governing precious metals. By law, precious metals or stones dealers can pay for property they receive only by check or money order and no cash can be transferred. But a pawnbroker may, with certain limitations, cash a check, draft, or money order he or she issues.

The act also applies to these dealers certain pawnbroker payment-related requirements, such as those to:

1. verify the seller's identity before cashing a check, draft, or money order;
2. prohibit them from (a) cashing any check, draft, or money order they issue over \$1,000 and (b) structuring transactions to avoid this limit (all transactions between a pawnbroker and the same party within a 24-hour period are considered a single transaction); and
3. require them to (a) retain payment records made by checks and (b) put numbers associated with the property from the record-keeping system on each check, draft, or money order.

EFFECTIVE DATE: October 1, 2012

OLR Tracking: DC:MJ:JSL:DY:eh