

2005 ASSEMBLY BILL 113

February 22, 2005 – Introduced by Representatives KRUSICK, SUDER, KREIBICH, ALBERS, FRISKE, HINES, MOLEPSKE, OTT, PETROWSKI and VRAKAS, cosponsored by Senators CARPENTER and A. LASEE, by request of City of Greenfield Police Department, Wisconsin Law Enforcement Coalition, Wisconsin Chiefs of Police Association, Milwaukee Police Association and Wisconsin Pawnbrokers Association. Referred to Committee on Criminal Justice and Homeland Security.

1 **AN ACT to amend** 134.71 (5) (a), 134.71 (5) (c), 134.71 (6), 134.71 (7) (a) 1., 134.71
 2 (8) (c) 1., 134.71 (8) (c) 2., 134.71 (8) (d) 2. and 134.71 (8) (d) 3.; and **to create**
 3 134.71 (1) (a) 12m. and 134.71 (8) (c) 3. of the statutes; **relating to:** licensure
 4 and record-keeping requirements for pawnbrokers and secondhand article and
 5 jewelry dealers.

Analysis by the Legislative Reference Bureau

Under current law, transactions involving the purchase, receipt, and exchange of certain articles (transactions) by pawnbrokers and by secondhand article dealers and secondhand jewelry dealers (secondhand dealers) are regulated. Pawnbrokers and secondhand dealers must have a license issued by the county or by the city, town, or village in which they operate.

Under current law, only transactions relating to certain articles require a pawnbroker or secondhand article dealer to have a license. Those articles include china, computers, electronic equipment, and small electrical appliances. This bill provides that transactions involving prerecorded video tapes or discs, audio tapes or discs, or other optical media also require a pawnbroker or secondhand article dealer to have a license.

Current law requires a pawnbroker or secondhand dealer to provide certain information on an application to obtain a license, including the applicant's name, place of birth, and residence address. This bill requires that the applicant also list all states where the applicant has previously resided.

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Under current law, the governing body of a county or a city, town, or village is required to grant a license to an applicant for a pawnbroker's or secondhand dealer's license if the applicant satisfies certain conditions. Among those conditions is that the applicant has not been convicted of a felony within the preceding ten years or a misdemeanor within the preceding five years. Under this bill, the applicant may not obtain a license if the applicant has been convicted of a felony within the preceding ten years or a misdemeanor within the preceding ten years.

Current law requires secondhand article dealers to keep a written inventory for certain transactions. The secondhand article dealer must record certain information in the inventory including the name and address of each customer and the date, time, and a detailed description of the article that is the subject of the transaction. This bill provides that the inventory must also include the article's serial number and model number, if any.

Under current law, a secondhand article dealer must keep any secondhand article purchased or received by the secondhand article dealer for not less than ten days after purchase or receipt. A secondhand jewelry dealer must keep any secondhand jewelry purchased or received by the secondhand jewelry dealer for not less than 15 days after purchase or receipt. This bill provides that the secondhand article or secondhand jewelry must be kept for 21 days.

This bill also requires every secondhand article dealer to prepare a list on a weekly basis that contains certain information about transactions occurring during the week for which the list was prepared. The secondhand article dealer must make this list available to any law enforcement officer for inspection.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 134.71 (1) (a) 12m. of the statutes is created to read:

2 134.71 (1) (a) 12m. Video tapes or discs, audio tapes or discs, and other optical
3 media.

4 **SECTION 2.** 134.71 (5) (a) of the statutes is amended to read:

5 134.71 (5) (a) The applicant's name, place and date of birth and, residence
6 address, and all states where the applicant has previously resided.

7 **SECTION 3.** 134.71 (5) (c) of the statutes is amended to read:

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1 134.71 (5) (c) A statement as to whether the applicant has been convicted
2 within the preceding 10 years of a felony or within the preceding 5 10 years of a
3 misdemeanor, statutory violation punishable by forfeiture or county or municipal
4 ordinance violation in which the circumstances of the felony, misdemeanor or other
5 offense substantially relate to the circumstances of the licensed activity and, if so,
6 the nature and date of the offense and the penalty assessed.

7 **SECTION 4.** 134.71 (6) of the statutes is amended to read:

8 134.71 (6) INVESTIGATION OF LICENSE APPLICANT. The law enforcement agency of
9 the county or municipality shall investigate each applicant for a pawnbroker's,
10 secondhand article dealer's or secondhand jewelry dealer's license to determine
11 whether the applicant has been convicted within the preceding 10 years of a felony
12 or within the preceding 5 10 years of a misdemeanor, statutory violation punishable
13 by forfeiture or county or municipal ordinance violation described under sub. (5) (c)
14 and, if so, the nature and date of the offense and the penalty assessed. The law
15 enforcement agency shall furnish the information derived from that investigation in
16 writing to the clerk of the municipality or county.

17 **SECTION 5.** 134.71 (7) (a) 1. of the statutes is amended to read:

18 134.71 (7) (a) 1. The applicant, including an individual, a partner, a member
19 of a limited liability company or an officer, director or agent of any corporate
20 applicant, has not been convicted within the preceding 10 years of a felony or within
21 the preceding 5 10 years of a misdemeanor, statutory violation punishable by
22 forfeiture or county or municipal ordinance violation in which the circumstances of
23 the felony, misdemeanor or other offense substantially relate to the circumstances
24 of being a pawnbroker, secondhand jewelry dealer, secondhand article dealer or
25 secondhand article dealer mall or flea market owner.

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1 **SECTION 6.** 134.71 (8) (c) 1. of the statutes is amended to read:

2 134.71 **(8)** (c) 1. Except as provided in subd. 2., for each transaction of purchase,
3 receipt or exchange of any secondhand article or secondhand jewelry from a
4 customer, a pawnbroker, secondhand article dealer or secondhand jewelry dealer
5 shall require the customer to complete and sign, in ink, the appropriate form
6 provided under sub. (12). No entry on such a form may be erased, mutilated or
7 changed. The pawnbroker, secondhand article dealer or secondhand jewelry dealer
8 shall retain an original and a duplicate of each form for not less than one year after
9 the date of the transaction except as provided in par. (e), and during that period shall
10 make the duplicate available to any law enforcement officer for inspection at any
11 time that the pawnbroker's, secondhand article dealer's, or secondhand jewelry
12 dealer's principal place of business is open to the public or at any other reasonable
13 time.

14 **SECTION 7.** 134.71 (8) (c) 2. of the statutes is amended to read:

15 134.71 **(8)** (c) 2. For every secondhand article purchased, received or exchanged
16 by a secondhand article dealer from a customer off the secondhand article dealer's
17 premises or consigned to the secondhand article dealer for sale on the secondhand
18 article dealer's premises, the secondhand article dealer shall keep a written
19 inventory. In this inventory the secondhand article dealer shall record the name and
20 address of each customer, the date, time and place of the transaction and a detailed
21 description of the article which is the subject of the transaction, including the
22 article's serial number and model number, if any. The customer shall sign his or her
23 name on a declaration of ownership of the secondhand article identified in the
24 inventory and shall state that he or she owns the secondhand article. The
25 secondhand article dealer shall retain an original and a duplicate of each entry and

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1 declaration of ownership relating to the purchase, receipt or exchange of any
2 secondhand article for not less than one year after the date of the transaction except
3 as provided in par. (e), and shall make duplicates of the inventory and declarations
4 of ownership available to any law enforcement officer for inspection at any time that
5 the secondhand article dealer's principal place of business is open to the public or at
6 any other reasonable time.

7 **SECTION 8.** 134.71 (8) (c) 3. of the statutes is created to read:

8 134.71 **(8)** (c) 3. Every secondhand article dealer shall on a weekly basis
9 prepare a list that contains the name and address of each customer of the secondhand
10 article dealer during the week for which the list was prepared, the date, time, and
11 place of each transaction with each of those customers, and a detailed description of
12 the secondhand article, including the secondhand article's serial number and model
13 number, if any. The secondhand article dealer shall retain the list for not less than
14 one year after the date on which the list was prepared. The secondhand article dealer
15 shall make the list available to any law enforcement officer for inspection at any time
16 that the secondhand article dealer's principal place of business is open to the public
17 or at any other reasonable time.

18 **SECTION 9.** 134.71 (8) (d) 2. of the statutes is amended to read:

19 134.71 **(8)** (d) 2. Except as provided in subd. 5., any secondhand article
20 purchased or received by a secondhand article dealer shall be kept on the secondhand
21 article dealer's premises or other place for safekeeping for not less than ~~10~~ 21 days
22 after the date of purchase or receipt.

23 **SECTION 10.** 134.71 (8) (d) 3. of the statutes is amended to read:

24 134.71 **(8)** (d) 3. Except as provided in subd. 5., any secondhand jewelry
25 purchased or received by a secondhand jewelry dealer shall be kept on the

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1 secondhand jewelry dealer's premises or other place for safekeeping for not less than
2 15 21 days after the date of purchase or receipt.

3 (END)