



# CROMWELL POLICE DEPARTMENT

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*Denise Lamontagne  
Chief of Police*

## PROCEDURE FOR PAWN BROKER PERMIT

- 1) APPLICATION FOR LICENSE MUST BE NOTARIZED PRIOR TO SUBMISSION.
- 2) COPY OF VALID PHOTO ID TO BE INCLUDED AT TIME OF APPLICATION.
- 3) \$50.00 FEE TO BE PAID AT TIME OF APPLICATION, \$25.00 FOR YEARLY RENEWALS (**renewal fee is waived if already licensed as a secondhand dealer**) AND SHALL AT THE TIME OF RECEIVING SUCH LICENSE, FILE WITH THE LICENSING AUTHORITY A BOND TO THE TOWN OF CROMWELL WITH COMPETENT SURETY IN THE AMOUNT OF TWO THOUSAND DOLLARS.
- 4) FBI AND STATE FINGERPRINT CARDS TO BE MADE OUT AND MAILED FOR CLEARANCE, AT THE DISCRETION OF THE LICENSING AUTHORITY UPON RENEWAL.
  - **\$16.50 PROCESSING FEE** - MONEY ORDER OR CERTIFIED BANK CHECK TO BE MADE OUT TO "TREASURER - STATE OF CT" FOR FBI FINGERPRINT CARD FEE AT TIME OF APPLICATION.
  - **\$50.00 PROCESSING FEE** - MONEY ORDER OR CERTIFIED BANK CHECK TO BE MADE OUT TO "TREASURER - STATE OF CT" FOR STATE FINGERPRINT CARD FEE AT TIME OF APPLICATION.
- 5) PURSUANT TO THE CONNECTICUT GENERAL STATUTES, THE LICENSING AUTHORITY (CHIEF OF POLICE,) IN HIS SOLE DISCRETION, MAY ISSUE A LICENSE. NO LICENSE SHALL BE ISSUED TO ANY PERSON WHO HAS BEEN CONVICTED OF A FELONY. A LICENSE ISSUED SHALL BE REVOCABLE "FOR CAUSE." PAWN BROKERS WISHING TO MAKE OUTRIGHT PURCHASES MUST HAVE A SECOND HAND DEALER'S LICENSE.

6) REQUIREMENTS:

- Date and time item pawned must be recorded. Pawned items must be held intact for a minimum of sixty (60) days.
- Positive identification of the person involved in each transaction, including the name and address of the person pawning the goods must be included (a photocopy of a valid driver's or similar proof of his or her identity that includes a photograph of the person and his or her address. A digital photograph must be taken of the individual pawning the item. This positive identification must be held on file for at least one year.
- Submit all information electronically to police upon request from the Cromwell Police Department or any employee or agent thereof, and must be submitted to the department on a weekly basis in accordance with the Connecticut General Statutes.
- All employees are subject to a criminal records check.
- Name all principals in business.
- Specify all storage areas for the business, which shall be open for random inspections, including but not limited to those by the Cromwell Police Department.

## **CHAPTER 409\***

### **PAWNBROKERS**

"Pawnbroker" means a person who is engaged in the business of loaning money on the deposit or pledge of wearing apparel, jewelry, ornaments, household goods or other personal property or purchasing such property on condition of selling the same back again at a stipulated price;

Sec. 2. Section 21-39 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2011*):

No person shall, in any city or town of this state, engage in or carry on the business of a pawnbroker unless such person is licensed in accordance with section 21-40, as amended by this act; but the provisions of this chapter shall apply only if such property is deposited with a lender, and shall not apply to loans made upon stock, bonds, notes or other written or printed evidence of ownership of property or of indebtedness to the holder or owner of any such securities.

Sec. 3. Section 21-40 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2011*):

(a) The licensing authority of any town or city may grant licenses to suitable persons to be pawnbrokers in such town or city respectively, and may suspend or revoke such licenses for cause, which shall include, but not be limited to, failure to comply with any requirements for licensure specified by the licensing authority at the time of issuance.

(b) The person so licensed shall pay, for the benefit of any such city or town, respectively, or if the licensing authority of such city or town is the Commissioner of Public Safety, for the benefit of the Department of Public Safety, to the licensing authority a license fee of fifty dollars, and twenty-five dollars per year thereafter for renewal of such license, and shall, at the time of receiving such license, file, with the licensing authority of such city or town, a bond to such city or town, with competent surety, in the penal sum of two thousand dollars, to be approved by such licensing authority, and conditioned for the faithful performance of the duties and obligations pertaining to the business so licensed, unless such person is also licensed as a secondhand dealer in accordance with section 10 of this act, in which case the licensing authority shall waive the payment of renewal fees and filing of a bond required by this subsection.

(c) Each such license shall designate the place where such business is to be carried on and shall be in effect for one year unless sooner suspended or revoked. Such license shall be displayed in a conspicuous location in the place where such business is carried on. At the time of application for such license and each renewal thereof, the applicant shall disclose to the licensing authority all places used or intended to be used by the business for the purchase, receipt, storage or sale of property. During the term of such license, the licensee shall notify the licensing authority of any additional places that will be used by the business for the purchase, receipt, storage or sale of property prior to such use.

(d) An application for such license shall be made in writing, under oath. The application shall contain: (1) The type of business to be engaged in, (2) the applicant's full name, age and date and place of birth, (3) the applicant's residence addresses and places of employment within the preceding five years, (4) the applicant's present occupation, (5) any crime of which the applicant has been convicted and the date and place of such conviction, and (6) such additional information as the licensing authority deems necessary to investigate the qualifications, character, competency and integrity of the applicant. If the applicant is a corporation, limited liability company, partnership or association, the application shall contain the information required by this subsection for each individual who is or will be an officer, shareholder, financial backer or creditor, other than a financial institution, of such entity or any other individual with a relationship to such entity similar to that of an officer, shareholder, financial backer or creditor.

(e) The application for such license and any renewal thereof shall contain information on any Internet web site or account used by such applicant to conduct the business. During the term of the license, the licensee shall notify the licensing authority in writing of the addition or discontinuation of any Internet web sites or accounts used to conduct the business.

(f) No license shall be issued under this section by the licensing authority to any person who has been convicted of a felony. The licensing authority may require any applicant, employee or person with an ownership interest in the business to submit to state and national criminal history records checks. Whenever the licensing authority requires such criminal history records checks, such individual shall submit two complete sets of fingerprints on forms prescribed by the licensing authority. Any criminal history records checks required pursuant to this subsection shall be conducted in accordance with section 29-17a. The licensing authority may charge the individual a fee equal to the fees established by the Federal Bureau of Investigation and the State Police Bureau of Identification for performing such criminal history records checks.

(g) The licensing authority shall grant or deny an application for a license not later than ninety days after the filing of such application with the licensing authority. A licensee seeking renewal of such license shall file an application for renewal at least sixty days before the expiration of such license and the licensing authority shall grant or deny such renewal not later than thirty days after the filing of such application for renewal. Failure of the licensing authority to act on such initial application or renewal application within the applicable period specified in this subsection shall be deemed to be a denial. The licensing authority may suspend, revoke or modify any license issued under this section at any time during the period of the license for good cause shown, upon notice to the licensee and following a hearing. The licensing authority shall hold any such hearing not later than five days after the date of issuance of such notice, and shall issue a decision not more than fourteen days after any hearing. Any person aggrieved by any action of the licensing authority in denying, suspending, revoking, modifying or refusing to renew a license issued pursuant to this section may appeal from such action to the Superior Court.

Sec. 4. Section 21-41 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2011*):

(a) No pawnbroker shall take, receive or purchase tangible personal property without receiving proof of the identity of the person depositing, pledging or selling the property. Such identification shall include a photograph, an address, if available on the identification, and an identifying number, including, but not limited to, date of birth. No pawnbroker shall enter into any pledge or purchase transaction with a minor unless such minor is accompanied by such minor's parent or guardian.

(b) Each such pawnbroker shall maintain a computerized record-keeping system deemed appropriate by the licensing authority, in which shall be entered in English, at the time the pawnbroker receives any article of personal property by way of pledge, deposit or purchase, a description of such article, the name, residence address, proof of identity as required in subsection (a) of this section and a general description of the person from whom, and the date and hour when, such property was received and in which, if the property does not contain any identifiable numbers or markings, shall be included a digital photograph of each article. Each entry in the record-keeping system shall be numbered consecutively. A tag shall be attached to the article in a visible and convenient place with a number written on such tag corresponding to the entry number in the record-keeping system and shall remain attached to the article until the article is sold or otherwise disposed of, provided the licensing authority shall prescribe procedures authorizing the removal of such tags from articles, including those articles consisting of jewelry that are cleaned and repaired on the premises by the pawnbroker, that will provide accountability for such articles.

Such tag shall be visible in a digital photograph taken in accordance with this section. Such record-keeping system and the place where such business is carried on and all articles of property therein may be examined at all times by any state police officer, municipal police officer, the licensing authority or any person by them designated. Any state police officer or municipal police officer who performs such an examination may require any employee on the premises to provide proof of the employee's identity. All records maintained pursuant to this section shall be retained by the pawnbroker for not less than two years.

(c) Except as provided in subsection (d) of this section, the description of any property received by a pawnbroker under this section shall include, but shall not be limited to, all distinguishing marks, names of any kind, including brand and model names, model and serial numbers, engravings, etchings, affiliation with any institution or organization, dates, initials, color, vintage or image represented. Any description of audio, video or electronic media of any kind shall also include the title and artist or any other identifying information contained on the cover or external surface of such media.

(d) The licensing authority may provide for an exemption from, or establish additional or different requirements than, the requirements of subsection (c) of this section upon consideration of the nature of the property, transaction or business, including, but not limited to, articles in bulk lots or articles of minimal value.

Sec. 5. Section 21-42 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2011*):

(a) Each such pawnbroker shall, at the time of making any loan on a pawn or pledge of personal property or of purchasing such property on condition of selling the same back again at a stipulated price deliver to the person who deposits, pledges or sells such property a memorandum or note containing (1) the entry required to be made in such pawnbroker's computerized record-keeping system by the provisions of section 21-41, as amended by this act, (2) a copy of the statement signed by the person who deposits, pledges or sells such property that represents and warrants that such property is not stolen and has no liens or encumbrances against it, and that such person is the rightful owner of such property and has the right to enter into the transaction, and (3) a copy of the statement signed by the person who deposits, pledges or sells such property that states such person will indemnify and hold harmless such pawnbroker for any loss arising from the transaction because of a superior right of possession to the property residing with a third person. Each such pawnbroker may charge the person who deposits, pledges or sells such property a fee for such memorandum or note, the processing and recording of the transaction, the storage of the property, any insurance for the property and any appraisal of the property. Each

such pawnbroker shall pay for any property received by deposit, pledge or purchase only by check, draft or money order and shall not pay cash for any such property except when the pawnbroker cashes a check, draft or money order for the person who is depositing, pledging or selling the property. When the pawnbroker cashes a check, draft or money order, such pawnbroker shall require proof of the identity of the person presenting the check, draft or money order in accordance with subsection (a) of section 21-41, as amended by this act. (b) Each check, draft or money order used to pay for property received by a pawnbroker shall contain the number or numbers associated with such property in the record-keeping system maintained in accordance with section 21-41, as amended by this act. Whenever payment is made by check, the pawnbroker shall retain the electronic copy of such check or other record issued by the financial institution that processed such check, and such copy or record shall be subject to inspection pursuant to section 21-41, as amended by this act, as part of such record-keeping system. No pawnbroker shall cash any check, draft or money order issued by such pawnbroker in an amount in excess of one thousand dollars and no person shall structure any transaction or transactions to avoid this prohibition. Any transaction or transactions between a pawnbroker and the same party within a twenty-four-hour period shall be aggregated and considered a single transaction for the purposes of this subsection.

Sec. 6. Section 21-43 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2011*):

Each pawnbroker shall submit to the licensing authority, weekly, or more frequently as determined by the licensing authority upon consideration of the volume and nature of the business, a sworn statement of his or her transactions, describing the property received and setting forth the nature and terms of each transaction and the name and residence address and a description of the person from whom the property was received. Such statement shall be in an electronic format prescribed by the licensing authority. The licensing authority may grant an exemption from the requirement of submitting such statement in electronic format for good cause shown.

Sec. 7. Section 21-45 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2011*):

No pawnbroker shall sell or dispose of any personal property left with such pawnbroker in deposit or pledge for money loaned or as a result of the purchase of such property on condition of selling the same back again at a stipulated price in less than sixty days from the date when the same is left in deposit or pledge or purchased on condition of selling the same back again at a stipulated price, except when such sale or disposition is to the person who deposited, pledged or sold such property or an authorized agent of such person. All such property may

be sold or disposed of at the place of business of such pawnbroker or at public sale after such sixty-day period. Upon the expiration of sixty days from the date when such property is left with a pawnbroker, if the person who deposited or pledged such property fails to redeem any such property in accordance with the terms of the transaction, such right of redemption or repurchase on the part of the person who deposited or pledged such property shall be extinguished and the pawnbroker shall acquire the entire interest in the property that was held by the person who deposited or pledged such property prior to such deposit or pledge without further notice to such person.

Sec. 8. Section 21-46a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2011*):

Whenever property is seized from the place of business of a pawnbroker, precious metals or stones dealer or secondhand dealer by a law enforcement officer, such officer shall give the pawnbroker, precious metals or stones dealer or secondhand dealer a duly signed receipt for the property containing a case number, a description of the property, the reason for the seizure, the name and address of the officer, the name and address of the person claiming a right to the property prior to the pawnbroker, precious metals or stones dealer or secondhand dealer and the name of the pawnbroker, precious metals or stones dealer or secondhand dealer. If the pawnbroker, precious metals or stones dealer or secondhand dealer claims an ownership interest in such property, he or she may request the return of such property by filing a request for such property with the law enforcement agency in accordance with the provisions of section 54-36a. If the person who deposited, pledged or sold any property received by a pawnbroker or dealer is convicted of any offense arising out of such pawnbroker's or dealer's acquisition, retention or disposition of the property and such pawnbroker or dealer suffered an economic loss as a result of such offense, the court, at the time of sentencing, may order restitution to such pawnbroker or dealer pursuant to subsection (c) of section 53a-28 and such order may be enforced in accordance with section 53a-28a.

Sec. 9. Section 21-47 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2011*):

(a) Any person who willfully engages in the business of a pawnbroker, unless licensed according to law, or after notice that his or her license has been suspended or revoked, shall be guilty of a class D felony. (b) Any person who willfully violates any of the provisions of this chapter for which no other penalty is provided shall be guilty of a class A misdemeanor.