



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB1438

by Rep. Michelle Mussman

SYNOPSIS AS INTRODUCED:

205 ILCS 510/9
205 ILCS 510/12

from Ch. 17, par. 4659

Amends the Pawnbroker Regulation Act. Removes language providing that when a person is found to be the owner of stolen property that has been pawned, the property shall be returned to the owner without payment of money advanced to the pawnbroker or any costs or charges. Provides that stolen property subject to a hold order shall be returned to the owner without the payment. Provides that when a hold order expires, title to the property shall vest in the pawnbroker. Provides that a hold order must specify certain information concerning the criminal investigation and property subject to the hold order. Sets forth the requirements for the contents of the hold order. Provides that a pawnbroker or its representative must sign and date a copy of a hold order as evidence of receipt of the hold order and the beginning of the 90-day hold period.

LRB101 04919 JRG 49928 b

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Pawnbroker Regulation Act is amended by
5 changing Sections 9 and 12 as follows:

6 (205 ILCS 510/9) (from Ch. 17, par. 4659)

7 Sec. 9. No pawnbroker shall purchase or take any article in
8 pawn or pledge from any person appearing to be intoxicated, nor
9 from any person known to have been convicted of theft. A law
10 enforcement officer may provide such criminal conviction
11 information to a pawnbroker. ~~When any person is found to be the~~
12 ~~owner of stolen property which has been pawned, such property~~
13 ~~shall be returned to the owner thereof without the payment of~~
14 ~~the money advanced by the pawnbroker thereon or any costs or~~
15 ~~charges of any kind which the pawnbroker may have placed upon~~
16 ~~the same.~~

17 (Source: P.A. 84-1308.)

18 (205 ILCS 510/12)

19 Sec. 12. Hold order.

20 (a) For the purposes of this Section, "hold order" means a
21 written legal instrument issued to a pawnbroker by a law
22 enforcement officer commissioned by the law enforcement agency

1 of the municipality or county that licenses and regulates the
2 pawnbroker, ordering the pawnbroker to retain physical
3 possession of pledged goods in the possession of the pawnbroker
4 or property purchased by and in the possession of the
5 pawnbroker and not to return, sell, or otherwise dispose of
6 such property as such property is believed to be
7 misappropriated goods.

8 (b) Upon written notice from a law enforcement officer
9 indicating that property in the possession of a pawnbroker and
10 subject to a hold order is needed for the purpose of furthering
11 a criminal investigation and prosecution, the pawnbroker shall
12 release the property subject to the hold order to the custody
13 of the law enforcement officer for such purpose and the officer
14 shall provide a written acknowledgment that the property has
15 been released to the officer. The release of the property to
16 the custody of the law enforcement officer shall not be
17 considered a waiver or release of the pawnbroker's property
18 rights or interest in the property. Upon completion of the
19 criminal investigation, the property shall be returned to the
20 pawnbroker who consented to its release; except that, if the
21 law enforcement officer at the completion of the criminal
22 investigation is able to determine the property subject to the
23 hold order is stolen property and has identified the owner of
24 the stolen property, the property shall be returned to the
25 owner without the payment of the money advanced by the
26 pawnbroker or any costs or charges of any kind that the

1 pawnbroker may have placed upon the same. In the event that the
2 law enforcement officer has not completed the criminal
3 investigation within 120 days after its release, the officer
4 shall immediately return the property to the pawnbroker or
5 obtain and furnish to the pawnbroker a warrant for the
6 continued custody of the property. Once the hold order expires
7 without an extension by court order or is rescinded, title to
8 the property shall vest in and be deemed conveyed by operation
9 of law to the pawnbroker, free of any liability for claims, but
10 subject to any restrictions contained in the pawn transaction
11 contract and subject to the provisions of this Section.

12 The pawnbroker shall not release or dispose of the property
13 except pursuant to a court order or the expiration of the
14 holding period of the hold order, including all extensions.

15 In cases where criminal charges have been filed and the
16 property may be needed as evidence, the prosecuting attorney
17 shall notify the pawnbroker in writing. The notice shall
18 contain the case number, the style of the case, and a
19 description of the property. The pawnbroker shall hold such
20 property until receiving notice of the disposition of the case
21 from the prosecuting attorney. The prosecuting attorney shall
22 notify the pawnbroker and claimant in writing within 15 days
23 after the disposition of the case.

24 (c) A hold order must specify:

25 (1) the name and address of the pawnbroker;

26 (2) the name, title, and identification number of the

1 law enforcement officer placing the hold order or the court
2 placing the hold order;

3 (3) a complete description of the property to be held,
4 including model number and serial number, if applicable;

5 (4) the name of the person reporting the property to be
6 misappropriated unless otherwise prohibited by law;

7 (5) the mailing address of the pawnbroker where the
8 property is held; and

9 (6) the expiration date of the holding period.

10 (d) The pawnbroker or the pawnbroker's representative must
11 sign and date a copy of the hold order as evidence of receipt
12 of the hold order and the beginning of the 90-day holding
13 period.

14 (Source: P.A. 96-1365, eff. 7-28-10.)