



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB3359

by Rep. Michael W. Tryon

SYNOPSIS AS INTRODUCED:

See Index

Amends the Pawnbroker Regulation Act. Changes the short title of the Act to the Pawnbroker, Consignment Shop, Secondhand Shop, and Recyclable Metal Shop Regulation Act. Provides for the licensure and regulation of consignment shops, secondhand shops, and recyclable metal shops in the same manner as pawnshops. Defines "consignment shop", "secondhand shop", and "recyclable metal shop". Amends the Recyclable Metal Purchase Registration Law. Changes the definition of "recyclable metal" to include gold, silver, platinum, or other precious metal used in jewelry, and "recyclable metal dealer" to include any business whose primary purpose is the purchase and sale of precious metals, secondhand jewelry, or items that contain precious metals. Effective immediately.

LRB098 09667 MGM 39813 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 the title of the Act and Sections 0.01, 0.05, 1, 1.5,
6 4, 5, 5.5, 6, 7, 7.5, 8, 9, 10, 11, and 12 as follows:

7 (205 ILCS 510/Act title)

8 An Act for the regulation of pawnbrokers, consignment
9 shops, secondhand shops, and recyclable metal shops and
10 repealing a certain act therein named.

11 (205 ILCS 510/0.01) (from Ch. 17, par. 4650)

12 Sec. 0.01. Short title. This Act may be cited as the
13 Pawnbroker, Consignment Shop, Secondhand Shop, and Recyclable
14 Metal Shop Regulation Act.

15 (Source: P.A. 86-1324.)

16 (205 ILCS 510/0.05)

17 Sec. 0.05. Administration of Act.

18 (a) This Act shall be administered by the Secretary of
19 Financial and Professional Regulation, and, beginning on July
20 28, 2010 (the effective date of Public Act 96-1365), all
21 references in this Act to the Commissioner of Banks and Real

1 Estate are deemed, in appropriate contexts, to be references to
2 the Secretary of Financial and Professional Regulation, who
3 shall have all of the following powers and duties in
4 administering this Act:

5 (1) To promulgate reasonable rules for the purpose of
6 administering the provisions of this Act.

7 (2) To issue orders for the purpose of administering
8 the provisions of this Act and any rule promulgated in
9 accordance with this Act.

10 (2.5) To order restitution to consumers suffering
11 damages resulting from violations of this Act, rules
12 promulgated in accordance with this Act, or other laws or
13 regulations related to the operation of a pawnshop
14 consignment shop, secondhand shop, or recyclable metal
15 shop.

16 (3) To appoint hearing officers and to hire employees
17 or to contract with appropriate persons to execute any of
18 the powers granted to the Secretary under this Section for
19 the purpose of administering this Act and any rule
20 promulgated in accordance with this Act.

21 (4) To subpoena witnesses, to compel their attendance,
22 to administer an oath, to examine any person under oath,
23 and to require the production of any relevant books,
24 papers, accounts, and documents in the course of and
25 pursuant to any investigation being conducted, or any
26 action being taken, by the Secretary in respect of any

1 matter relating to the duties imposed upon, or the powers
2 vested in, the Secretary under the provisions of this Act
3 or any rule promulgated in accordance with this Act.

4 (5) To conduct hearings.

5 (6) To impose civil penalties graduated up to \$1,000
6 against any person for each violation of any provision of
7 this Act, any rule promulgated in accordance with this Act,
8 or any order of the Secretary based upon the seriousness of
9 the violation.

10 (6.5) To initiate, through the Attorney General,
11 injunction proceedings whenever it appears to the
12 Secretary that any person, whether licensed under this Act
13 or not, is engaged or about to engage in an act or practice
14 that constitutes or will constitute a violation of this Act
15 or any rule prescribed under the authority of this Act. The
16 Secretary may, in his or her discretion, through the
17 Attorney General, apply for an injunction, and upon a
18 proper showing, any circuit court may enter a permanent or
19 preliminary injunction or a temporary restraining order
20 without bond to enforce this Act in addition to the
21 penalties and other remedies provided for in this Act.

22 (7) To issue a cease and desist order and, for
23 violations of this Act, any order issued by the Secretary
24 pursuant to this Act, any rule promulgated in accordance
25 with this Act, or any other applicable law in connection
26 with the operation of a pawnshop, consignment shop,

1 secondhand shop, or recyclable metal shop, to suspend a
2 license issued under this Act for up to 30 days.

3 (8) To determine compliance with applicable law and
4 rules related to the operation of pawnshops, consignment
5 shops, secondhand shops, or recyclable metal shops, and to
6 verify the accuracy of reports filed with the Secretary,
7 the Secretary, not more than one time every 2 years, may,
8 but is not required to, conduct a routine examination of a
9 pawnshop, consignment shop, secondhand shop, or recyclable
10 metal shop, and in addition, the Secretary may examine the
11 affairs of any pawnshop, consignment shop, secondhand
12 shop, or recyclable metal shop at any time if the Secretary
13 has reasonable cause to believe that unlawful or fraudulent
14 activity is occurring, or has occurred, therein.

15 (9) In response to a complaint, to address any
16 inquiries to any pawnshop, consignment shop, secondhand
17 shop, or recyclable metal shop in relation to its affairs,
18 and it shall be the duty of the pawnshop, consignment shop,
19 secondhand shop, or recyclable metal shop to promptly reply
20 in writing to such inquiries. The Secretary may also
21 require reports or information from any pawnshop,
22 consignment shop, secondhand shop, or recyclable metal
23 shop at any time the Secretary may deem desirable.

24 (10) To revoke a license issued under this Act if the
25 Secretary determines that (a) a licensee has been convicted
26 of a felony in connection with the operations of a

1 pawnshop, consignment shop, secondhand shop, or recyclable
2 metal shop; (b) a licensee knowingly, recklessly, or
3 continuously violated this Act or State or federal law or
4 regulation, a rule promulgated in accordance with this Act,
5 or any order of the Secretary; (c) a fact or condition
6 exists that, if it had existed or had been known at the
7 time of the original application, would have justified
8 license refusal; (d) the licensee knowingly submits
9 materially false or misleading documents with the intent to
10 deceive the Secretary or any other party; or (e) the
11 licensee is unable or ceases to continue to operate the
12 pawnshop, consignment shop, secondhand shop, or recyclable
13 metal shop.

14 (10.2) To remove or prohibit the employment of any
15 officer, director, employee, or agent of the pawnshop,
16 consignment shop, secondhand shop, or recyclable metal
17 shop who engages in or has engaged in unlawful activities
18 that relate to the operation of a pawnshop, consignment
19 shop, secondhand shop, or recyclable metal shop.

20 (10.7) To prohibit the hiring of employees who have
21 been convicted of a financial crime or any crime involving
22 breach of trust who do not meet exceptions as established
23 by rule of the Secretary.

24 (11) Following license revocation, to take possession
25 and control of a pawnshop, consignment shop, secondhand
26 shop, or recyclable metal shop for the purpose of

1 examination, reorganization, or liquidation through
2 receivership and to appoint a receiver, which may be the
3 Secretary, a pawnshop, consignment shop, secondhand shop,
4 recyclable metal shop, or another suitable person.

5 (b) After consultation with local law enforcement
6 officers, the Attorney General, and the industry, the Secretary
7 may by rule require that pawnbrokers, consignment shop owners,
8 secondhand shop owners, or recyclable metal shop dealers
9 operate video camera surveillance systems to record
10 photographic representations of customers and retain the tapes
11 produced for up to 30 days.

12 (c) Pursuant to rule, the Secretary shall issue licenses on
13 an annual or multi-year basis for operating a pawnshop,
14 consignment shop, secondhand shop, or recyclable metal shop.
15 Any person currently operating or who has operated a pawnshop,
16 consignment shop, secondhand shop, or recyclable metal shop in
17 this State during the 2 years preceding the effective date of
18 this amendatory Act of 1997 shall be issued a license upon
19 payment of the fee required under this Act. New applicants
20 shall meet standards for a license as established by the
21 Secretary. Except with the prior written consent of the
22 Secretary, no individual, either a new applicant or a person
23 currently operating a pawnshop, consignment shop, secondhand
24 shop, or recyclable metal shop, may be issued a license to
25 operate a pawnshop, consignment shop, secondhand shop, or
26 recyclable metal shop if the individual has been convicted of a

1 felony or of any criminal offense relating to dishonesty or
2 breach of trust in connection with the operations of a
3 pawnshop, consignment shop, secondhand shop, or recyclable
4 metal shop. The Secretary shall establish license fees. The
5 fees shall not exceed the amount reasonably required for
6 administration of this Act. It shall be unlawful to operate a
7 pawnshop, consignment shop, secondhand shop, or recyclable
8 metal shop without a license issued by the Secretary.

9 (d) In addition to license fees, the Secretary may, by
10 rule, establish fees in connection with a review, approval, or
11 provision of a service, and levy a reasonable charge to recover
12 the cost of the review, approval, or service (such as a change
13 in control, change in location, or renewal of a license). The
14 Secretary may also levy a reasonable charge to recover the cost
15 of an examination if the Secretary determines that unlawful or
16 fraudulent activity has occurred. The Secretary may require
17 payment of the fees and charges provided in this Act by
18 certified check, money order, an electronic transfer of funds,
19 or an automatic debit of an account.

20 (e) The Pawnbroker Regulation Fund is established as a
21 special fund in the State treasury. Moneys collected under this
22 Act shall be deposited into the Fund and used for the
23 administration of this Act. In the event that General Revenue
24 Funds are appropriated to the Department of Financial and
25 Professional Regulation for the initial implementation of this
26 Act, the Governor may direct the repayment from the Pawnbroker

1 Regulation Fund to the General Revenue Fund of such advance in
2 an amount not to exceed \$30,000. The Governor may direct this
3 interfund transfer at such time as he deems appropriate by
4 giving appropriate written notice. Moneys in the Pawnbroker
5 Regulation Fund may be transferred to the Professions Indirect
6 Cost Fund, as authorized under Section 2105-300 of the
7 Department of Professional Regulation Law of the Civil
8 Administrative Code of Illinois.

9 (f) The Secretary may, by rule, require all pawnshops,
10 consignment shops, secondhand shops, and recyclable metal
11 shops to provide for the expenses that would arise from the
12 administration of the receivership of a pawnshop, consignment
13 shop, secondhand shop, or recyclable metal shop under this Act
14 through the assessment of fees, the requirement to pledge
15 surety bonds, or such other methods as determined by the
16 Secretary.

17 (g) All final administrative decisions of the Secretary
18 under this Act shall be subject to judicial review pursuant to
19 the provisions of the Administrative Review Law. For matters
20 involving administrative review, venue shall be in either
21 Sangamon County or Cook County.

22 (Source: P.A. 96-1038, eff. 7-14-10; 96-1365, eff. 7-28-10;
23 97-333, eff. 8-12-11.)

24 (205 ILCS 510/1) (from Ch. 17, par. 4651)

25 Sec. 1. (a) Every individual or business entity which lends

1 money on the deposit or pledge of physically delivered personal
2 property, other than property the ownership of which is subject
3 to a legal dispute, securities, printed evidence of
4 indebtedness or printed evidence of ownership of the personal
5 property, or who deals in the purchase of such property on the
6 condition of selling the property back again at a stipulated
7 price, shall be held and is hereby declared and defined to be a
8 pawnbroker. The business of a pawnbroker does not include the
9 lending of money on deposit or pledge of title to property.

10 (b) The Secretary may require employees of pawnshops,
11 consignment shops, secondhand shops, and recyclable metal
12 shops who have the authority to act in a managerial capacity to
13 obtain a license from the Department. For the purposes of this
14 Section, "managerial capacity" shall mean the ability to direct
15 the operations or activities of the pawnshop. If the Secretary
16 determines a pawnshop, consignment shop, secondhand shop, or
17 recyclable metal shop employee's duties and responsibilities
18 or other factors amount to acting in a managerial capacity, the
19 Secretary may require licensing. The license shall be valid for
20 2 years. The Secretary may by rule specify the form of the
21 application for licensure, fees to be imposed and conditions
22 for licensure. The licensed employees shall report their places
23 of employment to the Secretary.

24 (c) For the purposes of this Act:

25 "Consignment shop" means a shop, either in a physical
26 location or via the Internet, engaged in the business of

1 selling secondhand personal property as the agent of another
2 person who (i) has placed the property in the physical
3 possession of the agent when the other person has not been paid
4 for the property, (ii) retains legal title to the property, and
5 (iii) bears the risk of loss until such property is sold to a
6 third person.

7 "Recyclable metal shop" has the same definition as
8 "recyclable metal dealer" in the Recyclable Metal Purchase
9 Registration Act.

10 "Secondhand shop" means a shop, either in a physical
11 location or via the Internet, that is primarily engaged in the
12 business of purchasing personal property of any type from a
13 person who is not a wholesaler for the purpose of reselling or
14 exchanging such property and has physical possession of the
15 property.

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

17 (205 ILCS 510/1.5)

18 Sec. 1.5. Misleading practices and names prohibited. It
19 shall not be lawful for an individual or business entity to
20 conduct business in this State using the word "pawn",
21 "pawnshop", or "pawnbroker", "consignment store", "secondhand
22 shop", or "recyclable metal shop" in connection with the
23 business or to transact business in this State in a manner
24 which has a substantial likelihood of misleading the public by
25 implying that the business is a pawnshop, consignment shop,

1 secondhand shop, or recyclable metal shop, without first
2 obtaining a license from the Commissioner.

3 (Source: P.A. 90-602, eff. 7-1-98.)

4 (205 ILCS 510/4) (from Ch. 17, par. 4654)

5 Sec. 4. Every pawnbroker, consignment shop, secondhand
6 shop, or recyclable metal shop shall, at the time of making any
7 advancement, purchase, or loan, deliver to the person pawning
8 or pledging any property, a memorandum, contract, or note
9 signed by him containing an accurate account and description,
10 in the English language, of all the goods, articles or other
11 things pawned, sold, or pledged, the amount of money, value of
12 things loaned thereon, the time of pledging or selling the
13 same, the rate of interest to be paid on the loan, the name and
14 residence of the person making the pawn, sale, or pledge, and
15 the amount of any fees as specified in Section 2 of this Act.

16 (Source: P.A. 87-802.)

17 (205 ILCS 510/5) (from Ch. 17, par. 4655)

18 Sec. 5. Record requirements.

19 (a) Except in municipalities located in counties having
20 3,000,000 or more inhabitants, every pawn and loan broker,
21 consignment shop, secondhand shop, and recyclable metal shop
22 shall keep a standard record book that has been approved by the
23 sheriff of the county in which the pawnbroker, consignment
24 shop, secondhand shop, or recyclable metal shop does business.

1 In municipalities in counties with 3,000,000 or more
2 inhabitants, the record book shall be approved by the police
3 department of the municipality in which the pawn or loan
4 broker, consignment shop, secondhand shop, or recyclable metal
5 shop does business. At the time of each and every loan, sale,
6 or taking of a pledge, an accurate account and description, in
7 the English language, of all the goods, articles and other
8 things pawned, sold, or pledged, the amount of money, value or
9 thing loaned thereon, the time of pledging the same, the rate
10 of interest to be paid on such loan, and the name and residence
11 of the person making such pawn, sale, or pledge shall be
12 printed, typed, or written in ink in the record book. Such
13 entry shall include the serial number or identification number
14 of items received which bear such number. Except for items
15 purchased from dealers possessing a federal employee
16 identification number who have provided a receipt to the
17 pawnbroker, every pawnbroker shall also record in his book, an
18 accurate account and description, in the English language, of
19 all goods, articles and other things purchased or received for
20 the purpose of resale or loan collateral by the pawnbroker from
21 any source, not in the course of a pledge or loan, the time of
22 such purchase or receipt and the name and address of the person
23 or business which sold or delivered such goods, articles, or
24 other things to the pawnbroker. No entry in such book shall be
25 erased, mutilated or changed.

26 (b) Every pawnbroker, consignment shop, secondhand shop,

1 or recyclable metal shop shall require identification to be
2 shown him by each person pledging, selling, or pawning any
3 goods, articles or other things to the pawnbroker, consignment
4 shop, secondhand shop, or recyclable metal shop. If the
5 identification shown is a driver's license or a State
6 identification card issued by the Secretary of State and
7 contains a photograph of the person being identified, only one
8 form of identification must be shown. If the identification
9 shown is not a driver's license or a State identification card
10 issued by the Secretary of State and does not contain a
11 photograph, 2 forms of identification must be shown, and one of
12 the 2 forms of identification must include his or her residence
13 address. These forms of identification shall include, but not
14 be limited to, any of the following: driver's license, social
15 security card, utility bill, employee or student
16 identification card, credit card, or a civic, union or
17 professional association membership card. In addition, in a
18 municipality with a population of 1,000,000 or more
19 inhabitants, if the customer does not have an identification
20 issued by a governmental entity containing a photograph of the
21 person being identified, the pawnbroker, consignment shop
22 owner, secondhand shop owner, or recyclable metal shop owner
23 shall photograph the customer in color and record the
24 customer's name, residence address, date of birth, social
25 security number, gender, height, and weight on the reverse side
26 of the photograph. If the customer has no social security

1 number, the pawnbroker, consignment shop owner, secondhand
2 shop owner, or recyclable metal shop owner shall record this
3 fact.

4 A county or municipality, including a home rule unit, may
5 regulate a pawnbroker's, consignment shop owner's, secondhand
6 shop owner's, or recyclable metal shop owner's identification
7 requirements for persons pledging, selling, or pawning goods,
8 articles, or other things to the pawnbroker, consignment shop,
9 secondhand shop, or recyclable metal shop in a manner that is
10 not less restrictive than the regulation by the State of a
11 pawnbroker's, consignment shop owner's, secondhand shop
12 owner's, or recyclable metal shop owner's identification
13 requirements for persons pledging, selling, or pawning goods,
14 articles, or other things. A home rule unit may not regulate a
15 pawnbroker's, consignment shop owner's, secondhand shop
16 owner's, or recyclable metal shop owner's identification
17 requirements for persons pledging, selling, or pawning goods,
18 articles, or other things to the pawnbroker, consignment shop,
19 secondhand shop, or recyclable metal shop in a manner less
20 restrictive than the regulation by the State of a pawnbroker's,
21 consignment shop owner's, secondhand shop owner's, or
22 recyclable metal shop owner's identification requirements for
23 persons pledging, selling, or pawning goods, articles, or other
24 things. This Section is a limitation under subsection (i) of
25 Section 6 of Article VII of the Illinois Constitution on the
26 concurrent exercise by home rule units of the powers and

1 functions exercised by the State.

2 (c) A pawnbroker, consignment shop, secondhand shop, or
3 recyclable metal shop may maintain the records required by
4 subsection (a) in computer form if the computer form has been
5 approved by the Commissioner, the sheriff of the county in
6 which the shop is located, and the police department of the
7 municipality in which the shop is located.

8 (d) Records, including reports to the Secretary,
9 maintained by pawnbrokers, consignment shops, secondhand
10 shops, or recyclable metal shops shall be confidential, and no
11 disclosure of pawnbroker, consignment shop, secondhand shop,
12 or recyclable metal shop records shall be made except
13 disclosures authorized by this Act or ordered by a court of
14 competent jurisdiction. No record transferred to a
15 governmental official shall be improperly disclosed, provided
16 that use of those records as evidence of a felony or
17 misdemeanor shall be a proper purpose.

18 (e) Pawnbrokers, consignment shops, secondhand shops, or
19 recyclable metal shops and their associations may lawfully give
20 appropriate governmental agencies computer equipment for the
21 purpose of transferring information pursuant to this Act.

22 (Source: P.A. 96-1038, eff. 7-14-10.)

23 (205 ILCS 510/5.5)

24 Sec. 5.5. Replacement of articles or property; insurance.

25 In the event that any articles or property pledged or sold are

1 lost or rendered inoperable, the pawnbroker, consignment shop,
2 secondhand shop, or recyclable metal shop shall replace the
3 articles or property with identical articles or property,
4 except that if the pawnbroker, consignment shop, secondhand
5 shop, or recyclable metal shop cannot reasonably obtain
6 identical articles or property, the pawnbroker, consignment
7 shop, secondhand shop, or recyclable metal shop shall replace
8 the articles or property with like articles or property.

9 No pawnbroker, consignment shop, secondhand shop, or
10 recyclable metal shop shall conduct business in this State,
11 unless the pawnbroker, consignment shop, secondhand shop, or
12 recyclable metal shop maintains insurance coverage covering
13 all hazards equal to at least 2 times the aggregate value of
14 the outstanding loans for items held in pawn. Such insurance
15 shall be obtained from an insurance company authorized to do
16 business in Illinois.

17 The pawnbroker, consignment shop, secondhand shop, or
18 recyclable metal shop shall file a copy of proof of insurance
19 coverage with the Secretary. A pawnbroker, consignment shop,
20 secondhand shop, or recyclable metal shop or an insurance
21 company shall not cancel the insurance coverage except upon
22 notice to the Secretary by certified mail, return receipt
23 requested. The cancellation is not effective prior to 30 days
24 after the Secretary receives the notice.

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

1 (205 ILCS 510/6) (from Ch. 17, par. 4656)

2 Sec. 6. Inspection of records.

3 (a) The book or computer records, as well as every article
4 or other thing of value so pawned, sold, or pledged, shall at
5 all times be open to the inspection of the Secretary, the
6 sheriff of the county, his deputies, or any members of the
7 police force of any city in the county in which such
8 pawnbroker, consignment shop, secondhand shop, or recyclable
9 metal shop does business. In addition, the Secretary shall be
10 authorized to inspect the books or records of any business he
11 or she has reasonable cause to believe is conducting pawn,
12 consignment, or recyclable metal transactions and should be
13 licensed under this Act.

14 (b) The book or computer records, pawn tickets, or any
15 other records required by the Secretary under this Act or any
16 rule promulgated in accordance with this Act shall be
17 maintained for a period of 3 years after the date on which the
18 record or ticket was prepared. These records and tickets shall
19 be open to inspection of the Secretary at all times during the
20 3-year period.

21 (Source: P.A. 96-1038, eff. 7-14-10.)

22 (205 ILCS 510/7) (from Ch. 17, par. 4657)

23 Sec. 7. Daily report.

24 (a) Except as provided in subsection (b), it shall be the
25 duty of every pawnbroker, consignment shop, secondhand shop,

1 and recyclable metal shop to make out and deliver to the
2 sheriff of the county in which such pawnbroker, consignment
3 shop, secondhand shop, or recyclable metal shop does business,
4 on each day before the hours of 12 o'clock noon, a legible and
5 exact copy from the standard record book, as required in
6 Section 5 of this Act, that lists all personal property and any
7 other valuable thing received on deposit or purchased during
8 the preceding day, including the exact time when received or
9 purchased, and a description of the person or person by whom
10 left in pledge, or from whom the same were purchased; provided,
11 that in cities or towns having 25,000 or more inhabitants, a
12 copy of the such report shall at the same time also be
13 delivered to the superintendent of police or the chief police
14 officer of such city or town. Such report may be made by
15 computer printout or input memory device if the format has been
16 approved by the local law enforcement agency.

17 (b) In counties with more than 3,000,000 inhabitants,
18 pawnbrokers, consignment shops, secondhand shops, and
19 recyclable metal shops shall ~~a pawnbroker must~~ provide the
20 daily report to the sheriff only if the pawnshop, consignment
21 shop, secondhand shop, or recyclable metal shop is located in
22 an unincorporated area of the county. Pawnbrokers, consignment
23 shops, secondhand shops, and recyclable metal shops located in
24 cities or towns in such counties must deliver such reports to
25 the superintendent of police or the chief police officer of
26 such city or town.

1 (Source: P.A. 90-477, eff. 7-1-98; 90-602, eff. 7-1-98.)

2 (205 ILCS 510/7.5)

3 Sec. 7.5. Report to the Secretary. The Secretary, as often
4 as the Secretary shall deem necessary or proper, may require a
5 pawnshop, consignment shop, secondhand shop, or recyclable
6 metal shop to submit a full and detailed report of its
7 operations including, but not limited to, the number of pawns,
8 sales, or purchases made, the amount financed on pawn
9 transactions, and the number and amount of pawns or sales
10 surrendered to law enforcement.

11 The Secretary shall prescribe the form of the report and
12 establish the date by which the report must be filed.

13 (Source: P.A. 96-1038, eff. 7-14-10.)

14 (205 ILCS 510/8) (from Ch. 17, par. 4658)

15 Sec. 8. No pawnbroker, consignment shop, secondhand shop,
16 or recyclable metal shop shall take or receive any pawn, sale,
17 or pledge for any advancement or loan, any property of any kind
18 from any minor who is under 18 years of age, or the ownership
19 of which is in, or which is claimed by, any such minor, or
20 which may be in the possession or under the control of any such
21 minor.

22 (Source: P.A. 84-478.)

23 (205 ILCS 510/9) (from Ch. 17, par. 4659)

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

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

16 (205 ILCS 510/10) (from Ch. 17, par. 4660)

17 Sec. 10. Sale of property. No personal property received on
18 deposit or pledge or purchased by any pawnbroker, consignment
19 shop, secondhand shop, or recyclable metal shop shall be sold
20 or permitted to be redeemed or removed from the place of
21 business of such pawnbroker, consignment shop, secondhand
22 shop, or recyclable metal shop for the space of 48 hours after
23 the delivery of the copy and statement required by Section 7 of
24 this Act required to be delivered to the officer or officers
25 named therein. If the pawner or pledger fails to repay the loan

1 during the period specified on the pawn ticket, the pawnbroker
2 shall automatically extend a grace period of 30 days from the
3 default date on the loan during which the pawnbroker shall not
4 dispose of or sell the personal property pledged. The parties
5 may agree to extend or renew a loan upon terms agreed upon by
6 the parties, provided the terms comply with the requirements of
7 this Act.

8 (Source: P.A. 90-477, eff. 7-1-98.)

9 (205 ILCS 510/11) (from Ch. 17, par. 4661)

10 Sec. 11. Violations. Every person who knowingly violates
11 the provisions of this Act shall, for the first offense, be
12 guilty of a Class C misdemeanor, and for each subsequent
13 offense shall be guilty of a Class A misdemeanor, except that a
14 person who knowingly violates this Act by operating a pawnshop,
15 consignment shop, secondhand shop, or recyclable metal shop
16 without a license shall be guilty of a Class B misdemeanor for
17 the first offense and shall be guilty of a Class A misdemeanor
18 for any subsequent offense. This Act shall not be construed as
19 to, in any wise, impair the power of cities or villages in this
20 State to license, tax, regulate except as to fee amounts,
21 suppress, and prohibit pawnbrokers, consignment shops,
22 secondhand shops, or recyclable metal shops as now provided by
23 law.

24 (Source: P.A. 92-215, eff. 8-2-01.)

1 (205 ILCS 510/12)

2 Sec. 12. Hold order.

3 (a) For the purposes of this Section, "hold order" means a
4 written legal instrument issued to a pawnbroker, consignment
5 shop, secondhand shop, or recyclable metal shop by a law
6 enforcement officer commissioned by the law enforcement agency
7 of the municipality or county that licenses and regulates the
8 pawnbroker, consignment shop, secondhand shop, or recyclable
9 metal shop, ordering the pawnbroker, consignment shop,
10 secondhand shop, or recyclable metal shop to retain physical
11 possession of pledged goods in the possession of the pawnbroker
12 or property purchased by and in the possession of the
13 pawnbroker, consignment shop, secondhand shop, or recyclable
14 metal shop and not to return, sell, or otherwise dispose of
15 such property as such property is believed to be
16 misappropriated goods.

17 (b) Upon written notice from a law enforcement officer
18 indicating that property in the possession of a pawnbroker,
19 consignment shop, secondhand shop, or recyclable metal shop and
20 subject to a hold order is needed for the purpose of furthering
21 a criminal investigation and prosecution, the pawnbroker,
22 consignment shop, secondhand shop, or recyclable metal shop
23 shall release the property subject to the hold order to the
24 custody of the law enforcement officer for such purpose and the
25 officer shall provide a written acknowledgment that the
26 property has been released to the officer. The release of the

1 property to the custody of the law enforcement officer shall
2 not be considered a waiver or release of the pawnbroker's,
3 consignment shop's, secondhand shop's, or recyclable metal
4 shop's property rights or interest in the property. Upon
5 completion of the criminal investigation, the property shall be
6 returned to the pawnbroker, consignment shop, secondhand shop,
7 or recyclable metal shop who consented to its release; except
8 that, if the law enforcement officer has not completed the
9 criminal investigation within 120 days after its release, the
10 officer shall immediately return the property to the
11 pawnbroker, consignment shop, secondhand shop, or recyclable
12 metal shop or obtain and furnish to the pawnbroker ,
13 consignment shop, secondhand shop, or recyclable metal shopa
14 warrant for the continued custody of the property.

15 The pawnbroker, consignment shop, secondhand shop, or
16 recyclable metal shop shall not release or dispose of the
17 property except pursuant to a court order or the expiration of
18 the holding period of the hold order, including all extensions.

19 In cases where criminal charges have been filed and the
20 property may be needed as evidence, the prosecuting attorney
21 shall notify the pawnbroker, consignment shop, secondhand
22 shop, or recyclable metal shop in writing. The notice shall
23 contain the case number, the style of the case, and a
24 description of the property. The pawnbroker, consignment shop,
25 secondhand shop, or recyclable metal shop shall hold such
26 property until receiving notice of the disposition of the case

1 from the prosecuting attorney. The prosecuting attorney shall
2 notify the pawnbroker, consignment shop, secondhand shop, or
3 recyclable metal shop and claimant in writing within 15 days
4 after the disposition of the case.

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

6 Section 10. The Recyclable Metal Purchase Registration Law
7 is amended by changing Section 2 as follows:

8 (815 ILCS 325/2) (from Ch. 121 1/2, par. 322)

9 Sec. 2. Definitions. When used in this Act:

10 "Recyclable metal" means any copper, brass, or aluminum, ~~or~~
11 any combination of copper, brass, or aluminum, gold, silver,
12 platinum, or other precious metal used in jewelry ~~those metals,~~
13 purchased by a recyclable metal dealer, irrespective of form or
14 quantity, except that "recyclable metal" does not include: (i)
15 items designed to contain, or to be used in the preparation of,
16 beverages or food for human consumption; (ii) discarded items
17 of non-commercial or household waste; or (iii) ~~gold, silver,~~
18 ~~platinum, and other precious metals used in jewelry; or (iv)~~
19 vehicles, junk vehicles, vehicle cowls, or essential vehicle
20 parts.

21 "Recyclable metal dealer" means any individual, firm,
22 corporation or partnership engaged in the business of
23 purchasing and reselling recyclable metal either at a
24 permanently established place of business or in connection with

1 a business of an itinerant nature, including junk shops, junk
2 yards, or junk stores, except that "recyclable metal dealer"
3 does not include automotive parts recyclers, scrap processors,
4 repairers and rebuilders licensed pursuant to Section 5-301 of
5 the Illinois Vehicle Code. Recyclable metal dealers shall not
6 be engaged in the business of purchasing or reselling vehicles,
7 junk vehicles, vehicle cowls, or essential vehicle parts.
8 "Recyclable metal dealer" includes any business whose primary
9 purpose is the purchase and sale of precious metals, secondhand
10 jewelry, or items that contain precious metals.

11 (Source: P.A. 95-979, eff. 1-2-09.)

12 Section 99. Effective date. This Act takes effect upon
13 becoming law.

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2	Statutes amended in order of appearance	
3	205 ILCS 510/Act title	
4	205 ILCS 510/0.01	from Ch. 17, par. 4650
5	205 ILCS 510/0.05	
6	205 ILCS 510/1	from Ch. 17, par. 4651
7	205 ILCS 510/1.5	
8	205 ILCS 510/4	from Ch. 17, par. 4654
9	205 ILCS 510/5	from Ch. 17, par. 4655
10	205 ILCS 510/5.5	
11	205 ILCS 510/6	from Ch. 17, par. 4656
12	205 ILCS 510/7	from Ch. 17, par. 4657
13	205 ILCS 510/7.5	
14	205 ILCS 510/8	from Ch. 17, par. 4658
15	205 ILCS 510/9	from Ch. 17, par. 4659
16	205 ILCS 510/10	from Ch. 17, par. 4660
17	205 ILCS 510/11	from Ch. 17, par. 4661
18	205 ILCS 510/12	
19	815 ILCS 325/2	from Ch. 121 1/2, par. 322