

**ASSEMBLY BILL**

**No. 2569**

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**Introduced by Assembly Member Jones**

February 21, 2014

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An act to amend Section 21628 of the Business and Professions Code, relating to business.

LEGISLATIVE COUNSEL'S DIGEST

AB 2569, as introduced, Jones. Secondhand dealers and coin dealers: reporting.

Existing law generally requires secondhand dealers and coin dealers, as defined, to report specified transactions to the local law enforcement agency where their businesses are located. Under existing law, secondhand dealers are required to report this information using an electronic reporting system developed by the Department of Justice, as specified, and coin dealers are required to transmit the report by mail or facsimile on a form developed by the Attorney General, as specified.

This bill would make technical, nonsubstantive changes to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 21628 of the Business and Professions
- 2 Code is amended to read:
- 3 21628. (a) Every secondhand dealer or coin dealer described
- 4 in Section 21626 shall report daily, or on the first working day
- 5 after receipt or purchase of secondhand tangible personal property,

1 on forms or through an electronic reporting system approved by  
 2 the Department of Justice, all secondhand tangible personal  
 3 property, except for firearms, which he or she has purchased, taken  
 4 in trade, taken in pawn, accepted for sale on consignment, or  
 5 accepted for auctioning, to the chief of police or to the sheriff, in  
 6 accordance with the provisions of Sections 21630 and 21633 and  
 7 subdivision ~~(j)~~ (d). The report shall be legible, prepared in English,  
 8 completed where applicable, and include, but not be limited to,  
 9 the following information:

10 ~~(a)~~  
 11 (1) The name and current address of the intended seller or  
 12 pledger of the property.

13 ~~(b)~~  
 14 (2) The identification of the intended seller or pledger. The  
 15 identification of the seller or pledger of the property shall be  
 16 verified by the person taking the information. The verification  
 17 shall be valid if the person taking the information reasonably relies  
 18 on any one of the following documents, provided that the document  
 19 is currently valid or has been issued within five years and contains  
 20 a photograph or description, or both, of the person named on it,  
 21 and, where applicable, is signed by the person, and bears a serial  
 22 or other identifying number:

23 ~~(1)~~  
 24 (A) A passport of the United States.

25 ~~(2)~~  
 26 (B) A driver's license issued by any state or Canada.

27 ~~(3)~~  
 28 (C) An identification card issued by any state.

29 ~~(4)~~  
 30 (D) An identification card issued by the United States.

31 ~~(5)~~  
 32 (E) A passport from any other country in addition to another  
 33 item of identification bearing an address.

34 ~~(6)~~  
 35 (F) A Matricula Consular in addition to another item of  
 36 identification bearing an address.

37 ~~(e)~~  
 38 (3) A complete and reasonably accurate description of serialized  
 39 property, including, but not limited to, the following: serial number  
 40 and other identifying marks or symbols, owner-applied numbers,

1 manufacturer's named brand, and model name or number. Watches  
2 need not be disassembled when special skill or special tools are  
3 required to obtain the required information, unless specifically  
4 requested to do so by a peace officer. A special tool does not  
5 include a penknife, caseknife, or similar instrument and  
6 disassembling a watch with a penknife, caseknife, or similar  
7 instrument does not constitute a special skill. In all instances where  
8 the required information may be obtained by removal of a  
9 watchband, then the watchband shall be removed. The cost  
10 associated with opening the watch shall be borne by the  
11 pawnbroker, secondhand dealer, or customer.

12 ~~(d)~~

13 (4) A complete and reasonably accurate description of  
14 nonserialized property, including, but not limited to, the following:  
15 size, color, material, manufacturer's pattern name (when known),  
16 owner-applied numbers and personalized inscriptions, and other  
17 identifying marks or symbols. Watches need not be disassembled  
18 when special skill or special tools are required to obtain the  
19 required information, unless specifically requested to do so by a  
20 peace officer. A special tool does not include a penknife, caseknife,  
21 or similar instrument and disassembling a watch with a penknife,  
22 caseknife, or similar instrument does not constitute a special skill.  
23 In all instances where the required information may be obtained  
24 by removal of a watchband, then the watchband shall be removed.  
25 The cost associated with opening the watch shall be borne by the  
26 pawnbroker, secondhand dealer, or customer.

27 ~~(e)~~

28 (5) A certification by the intended seller or pledger that he or  
29 she is the owner of the property or has the authority of the owner  
30 to sell or pledge the property.

31 ~~(f)~~

32 (6) A certification by the intended seller or pledger that to his  
33 or her knowledge and belief the information is true and complete.

34 ~~(g)~~

35 (7) A legible fingerprint taken from the intended seller or  
36 pledger, as prescribed by the Department of Justice. This  
37 requirement does not apply to a coin dealer, unless required  
38 pursuant to local regulation.

39 ~~(h)~~

1 (b) (1) When a secondhand dealer complies with all of the  
 2 provisions of this section, he or she shall be deemed to have  
 3 received from the seller or pledger adequate evidence of authority  
 4 to sell or pledge the property for all purposes included in this  
 5 article, and Division 8 (commencing with Section 21000) of the  
 6 Financial Code.

7 (2) In enacting this subdivision, it is the intent of the Legislature  
 8 that its provisions shall not adversely affect the implementation  
 9 of, or prosecution under, any provision of the Penal Code.

10 (i)

11 (c) Any person who conducts business as a secondhand dealer  
 12 at any gun show or event, as defined in Section 478.100 of Title  
 13 27 of the Code of Federal Regulations, or its successor, outside  
 14 the jurisdiction that issued the secondhand dealer license in  
 15 accordance with subdivision (d) of Section 21641, may be required  
 16 to submit a duplicate of the transaction report prepared pursuant  
 17 to this section to the local law enforcement agency where the gun  
 18 show or event is conducted.

19 (j)

20 (d) (1) The Department of Justice shall, in consultation with  
 21 appropriate local law enforcement agencies, develop clear and  
 22 comprehensive descriptive categories denoting tangible personal  
 23 property, as detailed in this section, subject to the reporting  
 24 requirements of this section. These categories shall be incorporated  
 25 by secondhand dealers and coin dealers described in Section 21626  
 26 for purposes of the reporting requirements set forth herein. ~~Except~~  
 27 ~~as otherwise provided in this section, any report required of a~~  
 28 ~~secondhand dealer shall be transmitted by electronic means. With~~  
 29 ~~the consultation by the Department of Justice with local law~~  
 30 ~~enforcement agencies and representatives from the secondhand~~  
 31 ~~dealer businesses, pursuant to Resolution Chapter 16 of the Statutes~~  
 32 ~~of 2010, and upon the availability of sufficient funds in the~~  
 33 ~~Secondhand Dealer and Pawnbroker Fund created pursuant to~~  
 34 ~~Section 21642.5, the department shall promptly develop a single,~~  
 35 ~~statewide, uniform electronic reporting system to be used to~~  
 36 ~~transmit these secondhand dealer reports.~~

37 ~~(2) (A) Until~~

38 ~~(2) With the consultation by the Department of Justice with~~  
 39 ~~local law enforcement agencies and representatives from the~~  
 40 ~~secondhand dealer businesses, pursuant to Resolution Chapter 16~~

1 *of the Statutes of 2010, and upon the availability of sufficient funds*  
2 *in the Secondhand Dealer and Pawnbroker Fund created pursuant*  
3 *to Section 21642.5, the department shall promptly develop a single,*  
4 *statewide, uniform electronic reporting system to be used to*  
5 *transmit these secondhand dealer reports.*

6 (3) (A) *Except as otherwise provided in this section, any report*  
7 *required of a secondhand dealer shall be transmitted by electronic*  
8 *means.*

9 (B) *Until the date that the Department of Justice implements*  
10 *the single, statewide, uniform electronic reporting system described*  
11 *in paragraph-(1); (2), each secondhand dealer may continue to*  
12 *report the information required by this section under the reporting*  
13 *categories described in paragraph (1) in paper format on forms*  
14 *approved of or provided by the Department of Justice.*

15 ~~(B)~~

16 (C) *On and after the date that the Department of Justice*  
17 *implements the single, statewide, uniform electronic reporting*  
18 *system described in paragraph-(1); (2), each secondhand dealer*  
19 *shall electronically report using that system the information*  
20 *required by this section under the reporting categories described*  
21 *in paragraph (1), except that for the first 30 days following the*  
22 *implementation date, each secondhand dealer shall also report the*  
23 *information in paper format as described in subparagraph-(A); (B).*

24 ~~(3)~~

25 (4) *A coin dealer shall report the information required by this*  
26 *section under the reporting categories described in paragraph (1)*  
27 *on a form developed by the Attorney General that the coin dealer*  
28 *shall transmit each day by facsimile transmission or by mail to the*  
29 *chief of police or sheriff. A transaction shall consist of not more*  
30 *than one item.*

31 ~~(4)~~

32 (5) *For purposes of this subdivision, “item” shall mean any*  
33 *single physical article. However, with respect to a commonly*  
34 *accepted grouping of articles that are purchased as a set, including,*  
35 *but not limited to, a pair of earrings or place settings of china,*  
36 *silverware, or other tableware, “item” shall mean that commonly*  
37 *accepted grouping.*

38 ~~(5)~~

1 (6) Nothing in this subdivision shall be construed as excepting  
2 a secondhand dealer from the fingerprinting requirement of  
3 *paragraph (7) of subdivision ~~(g)~~ (a)*.

4 ~~(k)~~

5 (e) Nothing in this section shall be construed to exempt a person  
6 licensed as a firearms dealer pursuant to Sections 26700 to 26915,  
7 inclusive, of the Penal Code from the reporting requirements for  
8 the delivery of firearms pursuant to Sections 26700 to 26915,  
9 inclusive, of the Penal Code.