



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

SB3413

Introduced 4/5/2016, by Sen. Bill Cunningham

SYNOPSIS AS INTRODUCED:

30 ILCS 105/5.875 new
205 ILCS 510/5
205 ILCS 510/7.7 new

from Ch. 17, par. 4655

Amends the Pawnbroker Regulation Act. Provides that within 60 days after the date of notification by the Illinois State Police of acceptable digital standards, every pawnbroker must take a digital image of each customer pledging or pawning any goods, articles, or other things and every item pawned or sold to the pawnbroker. Sets forth definitions for the following: "Automated Property Tracking Database System", "interchange file specification format", "point of sale data", and "reportable transaction". Requires every pawnbroker to transmit the point of sale data collected for every reportable transaction electronically from the pawnbroker's computer system to the Illinois State Police Automated Property Tracking Database System. Provides that in addition to any other fines and penalties imposed under applicable State and federal laws, a fine of up to \$200 may be imposed upon any person who pledges or pawns any stolen goods, articles, or other items to a pawnbroker and is subsequently found guilty of theft. Provides that moneys collected pursuant to the provisions concerning fines shall be deposited into the Automated Property Tracking Database Reporting Fund and used for the purpose of administering and enforcing the Automated Property Tracking Database reporting requirements. Amends the State Finance Act to create the Automated Property Tracking Database System Reporting Fund.

LRB099 21243 SMS 46727 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 State Finance Act is amended by adding
5 Section 5.875 as follows:

6 (30 ILCS 105/5.875 new)

7 Sec. 5.875. The Automated Property Tracking Database
8 System Reporting Fund.

9 Section 10. The Pawnbroker Regulation Act is amended by
10 changing Section 5 and by adding Section 7.7 as follows:

11 (205 ILCS 510/5) (from Ch. 17, par. 4655)

12 Sec. 5. Record requirements.

13 (a) Except in municipalities located in counties having
14 3,000,000 or more inhabitants, every pawn and loan broker shall
15 keep a standard record book that has been approved by the
16 sheriff of the county in which the pawnbroker does business. In
17 municipalities in counties with 3,000,000 or more inhabitants,
18 the record book shall be approved by the police department of
19 the municipality in which the pawn or loan broker does
20 business. At the time of each and every loan or taking of a
21 pledge, an accurate account and description, in the English

1 language, of all the goods, articles and other things pawned or
2 pledged, the amount of money, value or thing loaned thereon,
3 the time of pledging the same, the rate of interest to be paid
4 on such loan, and the name and residence of the person making
5 such pawn or pledge shall be printed, typed, or written in ink
6 in the record book. Such entry shall include the serial number
7 or identification number of items received which bear such
8 number. Except for items purchased from dealers possessing a
9 federal employee identification number who have provided a
10 receipt to the pawnbroker, every pawnbroker shall also record
11 in his book, an accurate account and description, in the
12 English language, of all goods, articles and other things
13 purchased or received for the purpose of resale or loan
14 collateral by the pawnbroker from any source, including other
15 pawnshop locations owned by the same pawnbroker, not in the
16 course of a pledge or loan, the time of such purchase or
17 receipt and the name and address of the person or business
18 which sold or delivered such goods, articles, or other things
19 to the pawnbroker. No entry in such book shall be erased,
20 mutilated or changed.

21 (b) Every pawnbroker shall require identification to be
22 shown him by each person pledging or pawning any goods,
23 articles or other things to the pawnbroker. If the
24 identification shown is a driver's license or a State
25 identification card issued by the Secretary of State and
26 contains a photograph of the person being identified, only one

1 form of identification must be shown. If the identification
2 shown is not a driver's license or a State identification card
3 issued by the Secretary of State and does not contain a
4 photograph, 2 forms of identification must be shown, and one of
5 the 2 forms of identification must include his or her residence
6 address. These forms of identification shall include, but not
7 be limited to, any of the following: driver's license, social
8 security card, utility bill, employee or student
9 identification card, credit card, or a civic, union or
10 professional association membership card. In addition, in a
11 municipality with a population of 1,000,000 or more
12 inhabitants, if the customer does not have an identification
13 issued by a governmental entity containing a photograph of the
14 person being identified, the pawnbroker shall photograph the
15 customer in color and record the customer's name, residence
16 address, date of birth, social security number, gender, height,
17 and weight on the reverse side of the photograph. If the
18 customer has no social security number, the pawnbroker shall
19 record this fact.

20 A county or municipality, including a home rule unit, may
21 regulate a pawnbroker's identification requirements for
22 persons pledging or pawning goods, articles, or other things to
23 the pawnbroker in a manner that is not less restrictive than
24 the regulation by the State of a pawnbroker's identification
25 requirements for persons pledging or pawning goods, articles,
26 or other things. A home rule unit may not regulate a

1 pawnbroker's identification requirements for persons pledging
2 or pawning goods, articles, or other things to the pawnbroker
3 in a manner less restrictive than the regulation by the State
4 of a pawnbroker's identification requirements for persons
5 pledging or pawning goods, articles, or other things. This
6 Section is a limitation under subsection (i) of Section 6 of
7 Article VII of the Illinois Constitution on the concurrent
8 exercise by home rule units of the powers and functions
9 exercised by the State.

10 (c) A pawnbroker may maintain the records required by
11 subsection (a) in computer form if the computer form has been
12 approved by the Commissioner, the sheriff of the county in
13 which the shop is located, and the police department of the
14 municipality in which the shop is located.

15 (d) Records, including reports to the Secretary,
16 maintained by pawnbrokers shall be confidential, and no
17 disclosure of pawnbroker records shall be made except
18 disclosures authorized by this Act or ordered by a court of
19 competent jurisdiction. No record transferred to a
20 governmental official shall be improperly disclosed, provided
21 that use of those records as evidence of a felony or
22 misdemeanor shall be a proper purpose.

23 (e) Pawnbrokers and their associations may lawfully give
24 appropriate governmental agencies computer equipment for the
25 purpose of transferring information pursuant to this Act.

26 (f) Within 60 days after the date of notification by the

1 Illinois State Police of acceptable digital standards, every
2 pawnbroker must take a digital image in the form of a color
3 photograph or a color video recording of each customer pledging
4 or pawning any goods, articles, or other things and every item
5 pawned or sold to the pawnbroker. Each digital image must be
6 electronically cross-referenced with the transaction to which
7 it is associated. The pawnbroker must inform the customer that
8 he or she is being photographed or videotaped by displaying a
9 sign of sufficient size to alert the customer in a conspicuous
10 place on the premises.

11 Each printed photograph must be at least 2 inches in length
12 by 2 inches in width and must be maintained in such a manner
13 that the photograph can be readily matched and correlated with
14 all other records of the transaction to which they relate. Each
15 photograph of a customer must include a clearly identifiable
16 facial image of the person who pawned or sold the item. Each
17 photograph of an item must depict the item accurately.

18 If a video photograph is taken, then the video camera must
19 focus on the person pawning or selling the item so as to
20 include an identifiable image of that person's face. Items
21 photographed by video must be accurately depicted. Video
22 photographs must be electronically referenced by time and date
23 so they can be readily matched and correlated with all other
24 records of the transaction to which they relate.

25 (Source: P.A. 99-188, eff. 1-1-16.)

1 (205 ILCS 510/7.7 new)

2 Sec. 7.7. Automated Property Tracking Database System
3 report.

4 (a) As used in this Section:

5 "Automated Property Tracking Database System" means an
6 electronic database system serving as a central repository for
7 property information that is made available to all law
8 enforcement agencies to provide communities a more effective
9 means to manage the regulation of their pawn dealers, precious
10 metal dealers, and any other secondhand dealers, and to enable
11 law enforcement agencies to track and share pawn dealer,
12 precious metal dealer, and any other secondhand dealer
13 transaction information electronically. The automated database
14 system may include, but is not limited to, the following
15 specifications and features:

16 (1) electronic import of transaction data from the
17 pawnshops;

18 (2) automated serial number checking against the
19 National Crime Information Center stolen article files and
20 smart matching so typographical errors can be identified;

21 (3) sophisticated query capabilities on persons and
22 property;

23 (4) notifications to a cell phone or email account
24 based on stored queries that can be set;

25 (5) a built-in process to detect and warn of possible
26 criminal activity;

1 (6) web interface for easy, low-cost access; or

2 (7) secure law enforcement-only access.

3 "Interchange file specification format" means the most
4 current version of the interchange file specification format
5 that is used by or compatible with the implemented automated
6 property tracking database system for documenting, tracking,
7 and reporting any dealer point of sale data.

8 "Point of sale data" or "POS data" means the following: an
9 accurate account and description, in the English language, of
10 all the goods, articles, or other things pawned or pledged; the
11 amount of money loaned; the time of pledging the same; the rate
12 of interest to be paid on the loan; any information about
13 redemptions, extensions, and renewals of pawned items; the name
14 and residence of the person making the pawn, pledge, or sale;
15 digital images of each customer involved in a reportable
16 transaction and every item pawned, pledged, or sold; the serial
17 number of each item pawned, pledged, or sold; and the amount of
18 any fees as specified in Section 2 of this Act.

19 "Reportable transaction" means any transaction in which a
20 pawnbroker makes an advancement, loan, or payment to any person
21 pawning, pledging, or selling any property.

22 (b) Every pawnbroker shall transmit to the Illinois State
23 Police the POS data collected for every reportable transaction.
24 Upon notification by the Illinois State Police of acceptable
25 computer system standards, it shall be the duty of every
26 pawnbroker to transmit the POS data daily using the Automated

1 Property Tracking Database System interchange file
2 specification format. The POS data shall be transferred
3 electronically from the pawnbroker's computer system to the
4 Illinois State Police Automated Property Tracking Database
5 System. All required records must be transmitted completely and
6 accurately after the close of business each day in accordance
7 with standards and procedures established by the Illinois State
8 Police. Every pawnbroker must display a sign of sufficient size
9 in a conspicuous place in the premises which informs patrons
10 that all transactions are reported to the Illinois State Police
11 daily.

12 If the pawnbroker provides records in an electronic format,
13 the records must be provided in a system compatible with an
14 interchangeable file specification format. Any transaction
15 that does not meet the Automated Property Tracking Database
16 System interchange file specification format must be corrected
17 and resubmitted the next business day. If a pawnbroker is
18 unable to successfully transfer the required reports
19 electronically, then the pawnbroker must provide the Illinois
20 State Police, upon request, printed copies of all reportable
21 transactions along with the video tape for that date by noon of
22 the next business day. If the problem is determined to be in
23 the pawnbroker's computer system and is not corrected by the
24 close of the first business day following the failure, then the
25 pawnbroker must provide printed copies of the required reports
26 as detailed in this Section until the error is corrected. If

1 the problem is determined to be outside of the pawnbroker's
2 system, then the pawnbroker must continue to provide the
3 required reports in print format and resubmit all such
4 transactions electronically when the error is corrected.

5 (c) In addition to any other fines and penalties imposed
6 under applicable State and federal laws, a fine of up to \$200
7 may be imposed upon any person who pledges or pawns any stolen
8 goods, articles, or other items to a pawnbroker and is
9 subsequently found guilty of theft as defined in Section 16-1
10 of the Criminal Code of 2012. This additional amount shall be
11 assessed by the court imposing sentence and shall be collected
12 by the Circuit Clerk in addition to any other fines and costs
13 in the case. Each such additional penalty shall be remitted by
14 the Circuit Clerk to the State Treasurer for deposit into the
15 Automated Property Tracking Database System Reporting Fund.
16 The Circuit Clerk shall retain 10% of such penalty to cover the
17 costs incurred in administering and enforcing this Section.

18 (d) The Automated Property Tracking Database System
19 Reporting Fund is established as a special fund in the State
20 treasury. Moneys collected pursuant to this Section shall be
21 deposited into the Fund and used for the purpose of
22 administering and enforcing this Section.