

# 2C:21-36

## LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 2009                    **CHAPTER:** 214

**NJSA:** 2C:21-36            (Requires records to be maintained concerning the sale of used jewelry)

**BILL NO:** S1819 (Substituted for A2712)

**SPONSOR(S)** Kean and Others

**DATE INTRODUCED:** May 15, 2008

**COMMITTEE:**            **ASSEMBLY:** ---

**SENATE:** Law and Public Safety and Veteran's Affairs

**AMENDED DURING PASSAGE:** Yes

**DATE OF PASSAGE:**            **ASSEMBLY:** January 11, 2010

**SENATE:** December 10, 2009

**DATE OF APPROVAL:** January 16, 2010

**FOLLOWING ARE ATTACHED IF AVAILABLE:**

**FINAL TEXT OF BILL** (Senate Substitute enacted)

**S1819**

<b>SPONSOR'S STATEMENT:</b> (Begins on page 2 of original bill)	Yes
<b>COMMITTEE STATEMENT:</b>	<b>ASSEMBLY:</b> No
	<b>SENATE:</b> Yes

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at [www.njleg.state.nj.us](http://www.njleg.state.nj.us))

**FLOOR AMENDMENT STATEMENT:** Yes

**LEGISLATIVE FISCAL ESTIMATE:** No

**A2712**

**SPONSOR'S STATEMENT:** (Begins on page 2 of original bill) Yes

<b>COMMITTEE STATEMENT:</b>	<b>ASSEMBLY:</b> Yes
	<b>SENATE:</b> No

**FLOOR AMENDMENT STATEMENT:** Yes

**LEGISLATIVE FISCAL ESTIMATE:** No

(continued)

**VETO MESSAGE:** No

**GOVERNOR'S PRESS RELEASE ON SIGNING:** No

**FOLLOWING WERE PRINTED:**

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**REPORTS:** No

**HEARINGS:** No

**NEWSPAPER ARTICLES:** No

LAW/RWH

SENATE SUBSTITUTE FOR  
**SENATE, No. 1819**

**STATE OF NEW JERSEY**  
**213th LEGISLATURE**

ADOPTED OCTOBER 23, 2008

**Sponsored by:**  
**Senator SEAN T. KEAN**  
**District 11 (Monmouth)**

**Co-Sponsored by:**  
**Senator Turner**

**SYNOPSIS**

Requires records to be maintained concerning the sale of used jewelry.

**CURRENT VERSION OF TEXT**

Substitute as adopted by the Senate.



**(Sponsorship Updated As Of: 12/11/2009)**

1 AN ACT concerning the sale of certain jewelry and supplementing  
2 Title 2C of the New Jersey Statutes.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. No person engaged in the business of retailing, wholesaling,  
8 or smelting jewelry who purchases any article of used or  
9 secondhand jewelry shall sell or offer to sell that used or  
10 secondhand jewelry, unless that person:

11 a. Maintains, for five years, a record of the name, address and  
12 telephone number of the person from whom it was purchased and:

13 (1) a descriptive list of any used jewelry purchased from that  
14 seller, including any identifying characteristics of that jewelry; or

15 (2) photographs of any used jewelry purchased from that seller;

16 b. Verifies the identity of the person selling the jewelry by  
17 requesting and examining a photograph-bearing, valid State or  
18 federal issued driver's license or other government issued form of  
19 identification bearing a photograph;

20 c. Delivers, on a weekly basis, to the police department having  
21 jurisdiction in the location of that person's place of business a copy  
22 of the record of all used jewelry purchased by that person during the  
23 preceding week;

24 d. Maintains in his possession any used jewelry purchased for  
25 not less than three business days following the delivery of the  
26 record of the purchase of that jewelry to the police department, as  
27 required by subsection c. of this section; and

28 e. Maintains, for five years, a copy of any list provided by an  
29 individual pursuant to section 2 of P.L. , c. (C. ) (pending  
30 before the Legislature as this bill).

31 Nothing in this section shall be construed to apply to  
32 pawnbrokers licensed and regulated pursuant to the pawnbroking  
33 law, R.S.45:22-1 et seq., or sales made through an Internet website.  
34 Nothing in this section shall be construed to apply to a person  
35 engaged in retail, provided the sale of jewelry is not his primary  
36 business and further provided the person does not engage in the  
37 purchase of used or secondhand jewelry on more than three days in  
38 a calendar year.

39

40 2. Any individual who purchases used or secondhand jewelry  
41 from another individual with the intent of selling that jewelry to a  
42 person engaged in the business of retailing, wholesaling, or  
43 smelting jewelry shall:

44 a. Maintain, for five years, a record of the sale of that jewelry,  
45 including, but not limited to, the date the jewelry is sold; name of  
46 the person engaged in the business of retailing, wholesaling, or

1 smelting jewelry to whom it is sold; and an itemized, descriptive list  
2 of that jewelry; and

3 b. Provide an itemized, descriptive list of the jewelry sold to the  
4 person engaged in the business of retailing, wholesaling, or  
5 smelting jewelry at the time of sale.

6  
7 3. The requisite knowledge or belief for a violation of  
8 N.J.S.2C:20-7 is presumed in the case of a person subject to the  
9 provisions of sections 1 or 2 of P.L. , c. (C. ) (pending before  
10 the Legislature as this bill) who purchases any article of used or  
11 secondhand jewelry and fails to comply with the requirements of  
12 sections 1 or 2 of P.L. , c. (C. ) (pending before the  
13 Legislature as this bill), as applicable.

14  
15 4. Any person who purchases any article of used or secondhand  
16 jewelry shall immediately report to an appropriate law enforcement  
17 agency any delivery or sale of used jewelry under circumstances  
18 that would cause a reasonable person to believe the used jewelry  
19 was probably stolen or otherwise inappropriately obtained.

20  
21 5. Notwithstanding any provision of the law to the contrary, any  
22 person who reports information to a law enforcement official or  
23 agency concerning the suspect sale of used jewelry shall be immune  
24 from any civil liability on account of the report, unless such person  
25 has acted in bad faith or with malicious purpose.

26  
27 6. The Attorney General shall promulgate regulations pursuant to  
28 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
29 seq.), necessary to effectuate the provisions of this act.

30  
31 7. This act shall take effect on the first day of the fourth month  
32 following enactment, but the Attorney General may take such  
33 anticipatory acts in advance of that date as may be necessary for the  
34 timely implementation of this act.

35  
36

37 STATEMENT

38  
39 This Senate substitute requires records to be maintained  
40 concerning the sale of used jewelry. These requirements create a  
41 "paper trail" of any used jewelry sold in this State so that if stolen,  
42 the rightful owner may be able to recover it.

43 The substitute requires jewelry retailers, wholesalers, and  
44 smelters to verify the identity of anyone selling them jewelry with a  
45 driver's license or other government issued form of photograph  
46 identification. Under the substitute, jewelry retailers, wholesalers,  
47 and smelters must maintain detailed records of all secondhand

1 jewelry they buy for five years, which is equivalent to the statute of  
2 limitations for burglary. In addition, a copy of these records must  
3 be delivered to the local police department each week, and the  
4 jewelry may not be sold until three business days after the records  
5 are so delivered.

6 The substitute also requires any individual who purchases used  
7 or secondhand jewelry with the intent of selling it to provide an  
8 itemized, descriptive list of the jewelry to the retailer, wholesaler,  
9 or smelter to whom it is sold, and to maintain a record of the sale  
10 for five years.

11 The substitute requires any individual who purchases used or  
12 secondhand jewelry and suspects that it may be stolen or otherwise  
13 inappropriately obtained to report to a law enforcement agency.  
14 Under the substitute, a person who makes such a report is immune  
15 from civil liability on account of the report, unless he was acting in  
16 bad faith or with malicious purpose.

17 The substitute specifies that violations of its record-keeping  
18 provisions are presumed to be requisite knowledge or belief for a  
19 violation of N.J.S.2C:20-7, which prohibits the receipt of stolen  
20 property. As such, violations would be punishable by the penalties  
21 established in N.J.S.2C:20-2 for theft, which can range from a  
22 disorderly persons offense to a crime in the second degree,  
23 depending on the value of the stolen goods. A disorderly persons  
24 offense is punishable by up to six months imprisonment, a \$1,000  
25 fine, or both. A crime of the fourth degree is punishable by up to  
26 18 months imprisonment, a \$10,000 fine, or both. A crime of the  
27 third degree is punishable by three to five years imprisonment, a  
28 fine up to \$15,000, or both. A crime of the second degree is  
29 punishable by five to 10 years imprisonment, a fine up to \$150,000,  
30 or both.

31 This Senate Substitute is identical to the Assembly Substitute for  
32 Assembly Bill No. 2712.

**SENATE, No. 1819**

**STATE OF NEW JERSEY**  
**213th LEGISLATURE**

INTRODUCED MAY 15, 2008

**Sponsored by:**  
**Senator SEAN T. KEAN**  
**District 11 (Monmouth)**

**SYNOPSIS**

Requires permanent records to be maintained concerning the sale of used jewelry.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning the sale of certain jewelry and supplementing  
2 Title 56 of the Revised Statutes.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. No person who purchases any article of used or secondhand  
8 jewelry shall sell or offer to sell that used or secondhand jewelry,  
9 unless that person:

10 a. Maintains a permanent record of the name, address and  
11 telephone number of the person from whom it was purchased and a  
12 descriptive list of used jewelry purchased from that seller, including  
13 any identifying characteristics of that jewelry;

14 b. Takes and maintains, for not less than one year, photographs  
15 of any jewelry purchased;

16 c. Maintains in his possession, for not less than 14 days, any  
17 used jewelry purchased; and

18 d. Delivers on a weekly basis to the police department having  
19 jurisdiction over the location of that person's place of business a  
20 copy of the record of all used jewelry purchased by that person  
21 during the preceding week.

22

23 2. Any person who violates the provisions of this act shall, in  
24 addition to any other penalty provided by law, be liable to a penalty  
25 of not more than \$10,000 for the first offense and not more than  
26 \$20,000 for the second and each subsequent offense.

27

28 3. The Director of the Division of Consumer Affairs in the  
29 Department of Law and Public Safety shall promulgate regulations  
30 pursuant to the "Administrative Procedure Act," P.L.1968, c.410  
31 (C.52:14B-1 et seq.), necessary to effectuate the provisions of this  
32 act.

33

34 4. This act shall take effect immediately.

35

36

37

STATEMENT

38

39 With the price of gold recently reaching record highs, there has  
40 been an increase in the sale of used or secondhand gold jewelry.  
41 Unfortunately, some of this jewelry is acquired through deceptive  
42 practices, including theft. Many times when the jewelry is stolen, it  
43 is sold to jewelry stores and then resold without any permanent  
44 record of the initial purchase or the subsequent sale. This bill  
45 requires a "paper trail" of any used jewelry sold in this State so that  
46 if stolen the rightful owner may be able to recover it.



- 1       Specifically, the bill prohibits a person who purchases any article  
2 of used or secondhand jewelry from selling or offering to sell that  
3 used or secondhand jewelry, unless that person:
- 4       • Maintains a permanent record of the name, address and  
5       telephone number of the person from whom it was purchased  
6       and a descriptive list of used jewelry purchased from that  
7       seller, including any identifying characteristics of that  
8       jewelry;
  - 9       • Takes and maintains, for not less than one year, photographs  
10      of any jewelry purchased;
  - 11      • Maintains in his possession, for not less than 14 days, any  
12      used jewelry purchased; and
  - 13      • Delivers on a weekly basis to the police department having  
14      jurisdiction over the location of that person's place of  
15      business a copy of the record of all used jewelry purchased  
16      by that person during the preceding week.
- 17      Any person who violates the provisions of the bill will, in  
18 addition to any other penalty provided by law, be liable to a penalty  
19 of not more than \$10,000 for the first offense and not more than  
20 \$20,000 for the second and each subsequent offense.

SENATE LAW AND PUBLIC SAFETY AND VETERAN'S  
AFFAIRS COMMITTEE

STATEMENT TO

**SENATE, No. 1819**

with committee amendments

**STATE OF NEW JERSEY**

DATED: JUNE 5, 2008

The Senate Law and Public Safety and Veterans' Affairs Committee reports favorably and with committee amendments Senate Bill No. 1819.

As amended, Senate Bill No. 1819 requires permanent records to be maintained concerning the sale of used jewelry.

With the price of gold recently reaching record highs, there has been an increase in the sale of used or secondhand gold jewelry. Unfortunately, some of this jewelry is acquired through deceptive practices, including theft. Many times when the jewelry is stolen, it is sold to jewelry stores and then resold without any permanent record of the initial purchase or the subsequent sale. This bill requires a "paper trail" of any used jewelry sold in this State so that if stolen, the rightful owner may be able to recover it.

The amended bill requires jewelry retailers, wholesalers, and smelters to verify the identity of anyone selling them jewelry with a driver's license or other government issued form of photograph identification and maintain detailed records of all secondhand jewelry they buy. In addition, a copy of these records must be delivered to the local police department each week.

Under the amended bill, any individual who purchases used or secondhand jewelry with the intent of selling it must provide an itemized, descriptive list of the jewelry to the retailer, wholesaler, or smelter to whom it is sold, and must maintain a permanent record of the sale.

In addition, the amended bill requires any individual who purchases used or secondhand jewelry and suspects that it may be stolen or otherwise inappropriately obtained to report to a law enforcement agency. Under the amended bill, a person who makes such a report is immune from civil liability on account of the report, unless he was acting in bad faith or with malicious purpose.

The amended bill specifies that violations of its record-keeping provisions are presumed to be requisite knowledge or belief for a violation of N.J.S.2C:20-7, which prohibits the receipt of stolen

property. As such, violations would be punishable by the penalties established in N.J.S.2C:20-2 for theft, which can range from a disorderly persons offense to a crime in the second degree, depending on the value of the stolen goods. A disorderly persons offense is punishable by up to six months imprisonment, a \$1,000 fine, or both. A crime of the fourth degree is punishable by up to 18 months imprisonment, a \$10,000 fine, or both. A crime of the third degree is punishable by three to five years imprisonment, a fine up to \$15,000, or both. A crime of the second degree is punishable by five to 10 years imprisonment, a fine up to \$150,000, or both.

The committee amendments:

- Specify that the bill only applies to retailers, wholesalers, smelters, and those who purchase used or secondhand jewelry with the intent of selling it to a retailer, wholesaler, or smelters;
- Clarify which reporting and record-keeping requirements pertain to retailers, wholesalers and smelters and which apply to individuals who sell them jewelry bought from others;
- Exclude pawnbrokers and retailers who do not ordinarily engage in the purchase of used or secondhand jewelry, along with sales made through an Internet website or at open-air flea markets, from the provisions of the bill;
- Change the penalties from a fine of up to \$10,000 for the first offense and up to \$20,000 for each subsequent offense to those established for theft, which can range from a disorderly persons offense to a crime of the second degree; and
- Require individuals who purchase used or secondhand jewelry and suspect that it may be stolen to report to a law enforcement agency, and grant immunity from civil liability to anyone who makes such a report.

As amended and reported by the committee, this bill is identical to Assembly Bill No. 2712, as amended and reported by the Assembly Consumer Affairs Committee on this same date.

STATEMENT TO  
[First Reprint]  
**SENATE, No. 1819**

with Senate Floor Amendments  
(Proposed By Senator S. KEAN)

ADOPTED: JUNE 12, 2008

Senate Bill No. 1819 [1R] requires permanent records to be maintained concerning the sale of used jewelry.

These Senate amendments clarify that the bill's provisions requiring retailers, wholesalers, or smelters to maintain certain records do not apply to pawnbrokers licensed and regulated under the pawnbroking law, R.S.45:22-1 et seq.

**ASSEMBLY, No. 2712**

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**STATE OF NEW JERSEY**

**213th LEGISLATURE**

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INTRODUCED MAY 12, 2008

**Sponsored by:**

**Assemblyman DAVID P. RIBLE**

**District 11 (Monmouth)**

**Assemblyman GORDON M. JOHNSON**

**District 37 (Bergen)**

**Assemblywoman MARY PAT ANGELINI**

**District 11 (Monmouth)**

**Assemblywoman NILSA CRUZ-PEREZ**

**District 5 (Camden and Gloucester)**

**Co-Sponsored by:**

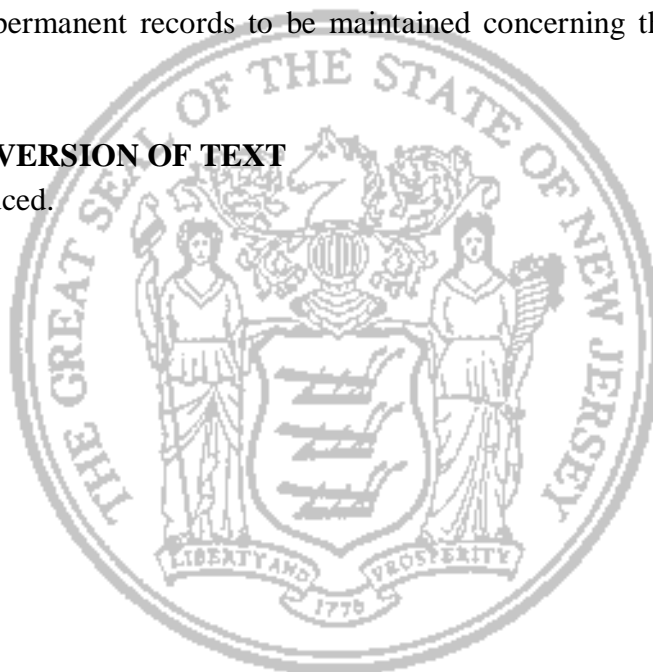
**Assemblyman Chiappone**

**SYNOPSIS**

Requires permanent records to be maintained concerning the sale of used jewelry.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 6/6/2008)**

1 AN ACT concerning the sale of certain jewelry and supplementing  
2 Title 56 of the Revised Statutes.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. No person who purchases any article of used or secondhand  
8 jewelry shall sell or offer to sell that used or secondhand jewelry,  
9 unless that person:

10 a. Maintains a permanent record of the name, address and  
11 telephone number of the person from whom it was purchased and a  
12 descriptive list of used jewelry purchased from that seller, including  
13 any identifying characteristics of that jewelry;

14 b. Takes and maintains, for not less than one year, photographs  
15 of any jewelry purchased;

16 c. Maintains in his possession, for not less than 14 days, any  
17 used jewelry purchased; and

18 d. Delivers on a weekly basis to the police department having  
19 jurisdiction over the location of that person's place of business a  
20 copy of the record of all used jewelry purchased by that person  
21 during the preceding week.

22

23 2. Any person who violates the provisions of this act shall, in  
24 addition to any other penalty provided by law, be liable to a penalty  
25 of not more than \$10,000 for the first offense and not more than  
26 \$20,000 for the second and each subsequent offense.

27

28 3. The Director of the Division of Consumer Affairs in the  
29 Department of Law and Public Safety shall promulgate regulations  
30 pursuant to the "Administrative Procedure Act," P.L.1968, c.410  
31 (C.52:14B-1 et seq.), necessary to effectuate the provisions of this  
32 act.

33

34 4. This act shall take effect immediately.

35

36

37

#### STATEMENT

38

39 With the price of gold recently reaching record highs, there has  
40 been an increase in the sale of used or secondhand gold jewelry.  
41 Unfortunately, some of this jewelry is acquired through deceptive  
42 practices, including theft. Many times when the jewelry is stolen, it  
43 is sold to jewelry stores and then resold without any permanent  
44 record of the initial purchase or the subsequent sale. This bill  
45 requires a "paper trail" of any used jewelry sold in this State so that  
46 if stolen the rightful owner may be able to recover it.

- 1 Specifically, the bill prohibits a person who purchases any article  
2 of used or secondhand jewelry from selling or offering to sell that  
3 used or secondhand jewelry, unless that person:
- 4 • Maintains a permanent record of the name, address and  
5 telephone number of the person from whom it was purchased  
6 and a descriptive list of used jewelry purchased from that  
7 seller, including any identifying characteristics of that  
8 jewelry;
  - 9 • Takes and maintains, for not less than one year, photographs  
10 of any jewelry purchased;
  - 11 • Maintains in his possession, for not less than 14 days, any  
12 used jewelry purchased; and
  - 13 • Delivers on a weekly basis to the police department having  
14 jurisdiction over the location of that person's place of  
15 business a copy of the record of all used jewelry purchased  
16 by that person during the preceding week.
- 17 Any person who violates the provisions of the bill will, in  
18 addition to any other penalty provided by law, be liable to a penalty  
19 of not more than \$10,000 for the first offense and not more than  
20 \$20,000 for the second and each subsequent offense.

# ASSEMBLY CONSUMER AFFAIRS COMMITTEE

## STATEMENT TO

### **ASSEMBLY, No. 2712**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: JUNE 5, 2008

The Assembly Consumer Affairs Committee reports favorably and with committee amendments Assembly Bill No.2712.

As amended, Assembly Bill No. 2712 requires permanent records to be maintained concerning the sale of used jewelry.

With the price of gold recently reaching record highs, there has been an increase in the sale of used or secondhand gold jewelry. Unfortunately, some of this jewelry is acquired through deceptive practices, including theft. Many times when the jewelry is stolen, it is sold to jewelry stores and then resold without any permanent record of the initial purchase or the subsequent sale. This bill requires a “paper trail” of any used jewelry sold in this State so that if stolen, the rightful owner may be able to recover it.

The amended bill requires jewelry retailers, wholesalers, and smelters to verify the identity of anyone selling them jewelry with a driver’s license or other government issued form of photograph identification and maintain detailed records of all secondhand jewelry they buy. In addition, a copy of these records must be delivered to the local police department each week.

Under the amended bill, any individual who purchases used or secondhand jewelry with the intent of selling it must provide an itemized, descriptive list of the jewelry to the retailer, wholesaler, or smelter to whom it is sold, and must maintain a permanent record of the sale.

In addition, the amended bill requires any individual who purchases used or secondhand jewelry and suspects that it may be stolen or otherwise inappropriately obtained to report to a law enforcement agency. Under the amended bill, a person who makes such a report is immune from civil liability on account of the report, unless he was acting in bad faith or with malicious purpose.

The amended bill specifies that violations of its record-keeping provisions are presumed to be requisite knowledge or belief for a violation of N.J.S.2C:20-7, which prohibits the receipt of stolen property. As such, violations would be punishable by the penalties established in N.J.S.2C:20-2 for theft, which can range from a disorderly persons offense to a crime in the second degree, depending



on the value of the stolen goods. A disorderly persons offense is punishable by up to six months imprisonment, a \$1,000 fine, or both. A crime of the fourth degree is punishable by up to 18 months imprisonment, a \$10,000 fine, or both. A crime of the third degree is punishable by three to five years imprisonment, a fine up to \$15,000, or both. A crime of the second degree is punishable by five to 10 years imprisonment, a fine up to \$150,000, or both.

#### COMMITTEE AMENDMENTS

At the sponsor's request, the committee amended the bill to:

- Specify that the bill only applies to retailers, wholesalers, smelters, and those who purchase used or secondhand jewelry with the intent of selling it to a retailer, wholesaler, or smelters;
- Clarify which reporting and record-keeping requirements pertain to retailers, wholesalers and smelters and which apply to individuals who sell them jewelry bought from others;
- Exclude pawnbrokers and retailers who do not ordinarily engage in the purchase of used or secondhand jewelry, along with sales made through an Internet website or at open-air flea markets, from the provisions of the bill;
- Change the penalties from a fine of up to \$10,000 for the first offense and up to \$20,000 for each subsequent offense to those established for theft, which can range from a disorderly persons offense to a crime of the second degree; and
- Require individuals who purchase used or secondhand jewelry and suspect that it may be stolen to report to a law enforcement agency, and grant immunity from civil liability to anyone who makes such a report.

As amended and reported by the committee, this bill is identical to Senate Bill No 1819, as amended and reported by the Senate Law and Public Safety and Veteran's Affairs Committee on this same date.

STATEMENT TO  
[First Reprint]  
**ASSEMBLY, No. 2712**

with Assembly Floor Amendments  
(Proposed By Assemblyman RIBLE)

ADOPTED: JUNE 16, 2008

Assembly Bill No. 2712 [1R] requires permanent records to be maintained concerning the sale of used jewelry.

These Assembly amendments clarify that the bill's provisions requiring retailers, wholesalers, or smelters to maintain certain records do not apply to pawnbrokers licensed and regulated under the pawnbroking law, R.S.45:22-1 et seq.