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Senate Commerce and Labor

Monday, May 5, 2003

AB 420

AB420
NRS 647: Secondhand Dealers
May 5, 2003

Good morning, Mr Chairman, and members of the Senate Commerce and Labor Committee. For the record, I am Valerie Weber, Assembly District 5, Las Vegas, Clark County. I bring before you today, AB420, which is designed to strengthen **NRS section 647** regarding dealers in secondhand materials. This bill was amended twice and passed unanimously in both the Assembly Commerce and Labor Committee and a full vote of the Assembly.

Second hand dealers typically buy and sell in the areas of secondhand personal property, antiques and collectibles. As a quick review, this market differs from that of pawnbrokers (located in NRS 646) in that pawnbrokers lend money on the security of pledges, deposits or other secured transactions in personal property.

The **three goals** of this bill are simple.

First, secondhand dealers would now be expanded to include coin dealers.

Second, the bill requires background checks and prohibits the licensing of a felon in certain areas. It details provisions of fines for violations of established ordinances in both counties and cities.

Finally, the bill allows for other methods of reporting purchased goods and allows for peace officers to place a "hold" on property they believe to be stolen.

Section Changes:

There are five **section changes** to walk through with the committee.

Section 1 allows for a peace officer to place a written "hold" on property he/she may believe is stolen. The logic here is simple; as with pawnbrokers, this allows law enforcement to follow up on reporting the secondhand dealer has provided the department. A peace officer or investigator who requests a HOLD on goods shall notify the secondhand dealer in writing when the investigation is concluded.

Section 2 includes coin shops as secondhand dealers. Problems have been encountered with coin dealers purchasing and selling used jewelry.

Section 3: Current statute requires that written transcript of transactions of all records be mailed to the sheriff each day by noon. This section expands secondhand dealer reporting mechanisms to the sheriff from written to other forms of communication, including fax, electronic etc. The Board of County Commission or local governing body can capture this under the appropriate ordinance.

Section 4 requires each county to conduct a background check for all secondhand dealers and prohibits the licensing of an individual who has been convicted of a felony. In addition, this section allows the governmental entity to establish fees to carry out these provisions. Finally, the section provides for fines for violations of the chapter.

Section 5 repeats the county language for cities

In summary, AB420 amends the definition of secondhand dealer practices. This legislation allows enhanced cooperation between law enforcement and business in the detection and recovery of stolen merchandise in the secondhand market. This benefits local business, law enforcement and most importantly, the consumer.