

OFFICE OF THE CHIEF OF POLICE

SPECIAL ORDER NO. 1

January 10, 2024

SUBJECT: PAWNSHOP PROCEDURE – REVISED; AND, LOS ANGELES POLICE DEPARTMENT LEGAL ASPECTS OF RECLAIMING PROPERTY, FORM 12.43.00 – REVISED AND RENAMED

PURPOSE: A recent review of Pawnshop Procedures revealed a need to revise Department Manual Section 4/770, *Pawnshop Procedure*. This order revises and renames the Department’s Legal Aspects of Reclaiming Property Form, Form 12.43.00, consistent with current Department policies and procedures.

PROCEDURE:

- I. PAWNSHOP PROCEDURE – REVISED.** Department Manual Section 4/770, *Pawnshop Procedure*, has been revised to remove outdated references and reflect current Department policies and procedures. The Manual section is attached with the revisions indicated in italics.
- II. LEGAL ASPECTS OF RECLAIMING PROPERTY FORM, FORM 12.43.00 – REVISED AND RENAMED.** The Los Angeles Police Department *Legal Aspects of Reclaiming Property Form*, Form 12.43.00, has been revised and renamed, *Process for Reclaiming Property* to reflect the current procedures an owner of stolen property may pursue to recover property. The revised form is attached.

FORM AVAILABILITY: The Los Angeles Police Department Process for Reclaiming Property Form is available in E-Forms on the Department’s Local Area Network (LAN). A copy of the form is attached for immediate use and duplication. All other versions of the form are obsolete and shall be discarded.

AMENDMENT: This Order amends Section 4/770 of the Department Manual.

AUDIT RESPONSIBILITY: The Commanding Officer, Audit Division, shall review this directive and determine whether an audit or inspection shall be conducted in accordance with Department Manual Section 0/080.30.



MICHEL R. MOORE
Chief of Police

Attachments

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770. PAWNSHOP PROCEDURE.

770.05 PAWNSHOP – DEFINED. For the purposes of this section, “pawnshops” shall be defined as, any pawnshop, *junkyard*, *secondhand dealer*, or store dealing in used or secondhand merchandise.

Pawnshops and secondhand dealers are required to possess a valid Police Commission permit.

770.10 HOLD – DEFINED. A hold or hold order is a *written order, Process for Reclaiming Property, Form 12.43.00*, by a *concerned geographical burglary/theft detective* directing a pawnshop or secondhand dealer to maintain custody and control over specified property until the hold or hold order is removed.

Note: The hold shall not exceed a period of 90 calendar days but may be renewed as often as required for a criminal investigation or court proceeding.

770.20 STOLEN PROPERTY. A hold shall be placed on *allegedly* stolen property when *the property* is identified in a *pawnshop* or *in the custody of a secondhand dealer*.

Upon discovery of stolen property at a pawnshop or secondhand dealer, an officer shall:

- *Place a hold on the property (pursuant to Department Manual Section 4/770.30);*
- *Notify the concerned geographical burglary/theft detectives for investigative assistance;*
- *Verify the pawnbroker or secondhand dealer has a valid Police Commission permit as required under Los Angeles Municipal Code (LAMC) Section 103.306, Pawnbroker, and LAMC Section 103.02.1, Permit Applications; and,*
- *Notify Commission Investigation Division’s (CID) Administrative Section if:*
 - *The business is not permitted to operate;*
 - *It is suspected that the business knowingly purchased stolen property; or,*
 - *Concerns exist regarding its business operations.*

770.30 HOW TO PLACE A HOLD ON PAWNED PROPERTY. When an officer *determines it is necessary* to place a hold on property in a *pawnshop* or *in the custody of a secondhand dealer*, *the officer shall:*

- *Call the pawnshop or secondhand dealer and advise them of the hold on the property and make a demand for a hold;*
- *Provide written notice to the pawnshop or secondhand dealer on Department letterhead, with an accurate description of the property, an acknowledgment that the property is being placed on a 90-day hold denoting whether physical possession will remain with the licensed pawnbroker or secondhand dealer or will be taken by the officer into custody;*
- *Indicate the Department’s Division of Records (DR) number on the notice, if issued;*
- *Include the date the notice was delivered to the licensed pawnbroker or secondhand dealer;*

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- *Provide written notice of the hold within two business days to the person who reported the property lost, stolen or embezzled;*
- *Immediately notify the concerned geographical burglary/theft detectives for investigative assistance and advise the investigative unit where the crime occurred when the officer placing the hold is not assigned to that division; and,*
- *Notify the concerned jurisdiction when the crime occurred outside the City.*

770.40 WHEN TO RELEASE A HOLD ON PROPERTY. A hold placed on property at a *permitted* pawnshop or secondhand dealer shall be released:

- *Immediately, upon the discovery that the property is **not** lost, stolen, or evidence; or,*
- *After 90 days, if extensive efforts to locate and identify the legal owner have failed.*

770.45 HOLD EXTENSIONS. *A hold placed on property at a permitted pawnshop or secondhand dealer may be extended beyond 90 days when:*

- *The legal owner of the held property has been identified but is not available to retrieve the property; or,*
- *It is necessary for an ongoing criminal investigation or court proceeding.*

770.50 HOW TO RELEASE HOLDS ON PROPERTY. When a hold is to be released on property, the *authorizing* officer shall notify the *concerned geographical burglary/theft detectives*, listing the following information, if known:

- *Victim's name and address;*
- *Suspect's name;*
- *Description of property to be released;*
- *Pawnshop or secondhand dealer's business name and address;*
- *Pawnshop or secondhand dealer's loan or buy number;*
- *DR number; and,*
- *Authorizing officer's name, serial number, and division of assignment.*

An assigned *detective*, upon receiving the above information, shall:

- *Notify the pawnshop or secondhand dealer of the released hold; and,*
- *Serve the pawnshop or secondhand dealer a copy of the Process for Reclaiming Property, Form 12.43.00.*

770.60 REQUESTS FOR HOLDS - OUTSIDE AGENCIES. When an agent from an outside law enforcement agency requests a hold to be placed on property in a *pawnshop* or secondhand dealer within the City, the concerned *geographical burglary/theft detectives* shall:

- *Prepare a letter to the requesting agent informing *them* that the hold will be placed for a maximum period of 90 days and that a written request for the hold is required from *their* department;*

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- Send the original letter to the requesting agent and file *a* copy in the *concerned geographical burglary/theft detectives* file; and,
- Place a hold on the *property* (4/770.30).

Note: The hold shall be released (4/770.50) if no communication concerning retaining or releasing *the* hold is received from the requesting agency within *90* days.

770.70 RELEASING PROPERTY TO THE LEGAL OWNER. When held property is available for release to the legal owner, or *their* agent, the concerned officer shall:

- Release the hold on the property (4/770.50);
- Complete a *Process for Reclaiming Property*, Form 12.43.00;
- Send the first page of the form to the legal owner or *their* agent;
- Direct the legal owner, or *their* agent, to present Form 12.43.00 to the *pawnshop or secondhand dealer* in order to claim *their* property;
- Place the second page of Form 12.43.00 in the *concerned geographical burglary/theft detectives case file*; and,
- *Send* the third page of Form 12.43.00 to the *pawnshop or secondhand dealer* holding the property.

PROCESS FOR RECLAIMING PROPERTY

When an owner loses property or property has been taken by criminal means, and such property is later found in a pawnshop or secondhand store, the owner may pursue any of the following to recover the property:

1. Present a copy of this form and make a demand on the pawnbroker or secondhand dealer for return of the property.
2. File a civil lawsuit.

If additional information is needed, contact the area detective who discovered the stolen property. See report for contact information.

The law neither requires nor prohibits payment of a fee or any other condition in return for the surrender of the property, except when the person who reported the property lost, stolen, or embezzled does not choose to participate in the prosecution of an identified alleged thief, the person shall pay the licensed pawnbroker or secondhand dealer the "out-of-pocket" expenses paid in acquisition of the property in return for the surrender of the property. (Business & Professions Code 21647(c)(2)).

WARNING! A claim for the property must be made within 60 days from the date of the mailing of this release, otherwise the licensed pawnshop or secondhand dealer may treat it as if received in the ordinary course of business. (Business & Professions Code 21647(c)(3)).

Name of Firm Holding Property

Business Address & Phone Number

Owner

Address & Phone Number

Loan/Buy No.

DR No.

Date Of Release

Description of Property

Investigating Officer

Division/Agency

AUTHORIZATION TO RELEASE POLICE HOLD

Officer Authorizing Release (Name, Serial No., Division)

**ACKNOWLEDGEMENT OF INFORMATION REGARDING
RECLAIMING PROPERTY**

I have been informed of the location of the property listed below,
and have received a copy of the "PROCESS FOR RECLAIMING
PROPERTY" form.

Signature of Owner

Name of Firm Holding Property

Business Address

Owner

Address

Loan/Buy No.

DR No.

Date Of Release

Description of Property

Investigating Officer

Division/Agency

Officer Authorizing Release (Name, Serial No., Division)

AUTHORIZATION TO RELEASE POLICE HOLD

Pawnbroker/Secondhand Dealer's Copy

Name Of Firm Holding Property

Business Address

Owner

Loan/Buy No.

DR No.

Date Of Release

Description of Property

Investigating Officer

Division/Agency

Officer Authorizing Release (Name, Serial No., Division)