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FOR INFORMATION CALL

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Ald. Jim Bohl
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Stores Found Selling Pilfered Gold Could Face License Revocation, Penalties

Licenses Committee Chair Alderman Jim Bohl says Timing, Process Issues Mean Stores will Likely Have Licenses Renewed Later this Month with Possible Actions Pending Early in 2010

Shortly after Milwaukee police seized 1,200 stolen jewelry items valued at more than \$75,000 that were being offered for sale on the shelves of four city stores, Alderman Jim Bohl asked the City Attorney's Office about the possible licensing ramifications, because the stores hold precious metal and gem licenses issued by the city in order to do business.

The response from the City Attorney's Office was complicated but clear: the licenses for the stores expire at year's end (December 31) and were already scheduled on the grant list for the Licenses Committee agenda from December 8. In order for the city to pursue sanction of the licenses, there would have had to have been police reports from the early December police bust that would have been completed and sent to the businesses as part of their advanced notice for a hearing. The timing of the bust and the ongoing nature of the police investigation prevented this from happening; so legally, each location (unless a store decided to voluntarily close) would remain licensed and have its license renewed automatically at the December 22 Common Council meeting.

This timing snafu does not prevent the possibility of an interested party seeking a revocation of the stores' licenses. A revocation could be initiated by a sworn complaint which would trigger a subsequent hearing process before the Common Council's Licenses Committee, said Alderman Bohl, chair of the Licenses Committee.

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Such a complaint could be brought by the Milwaukee Police Department, and Alderman Bohl said he expects a complaint from MPD will be issued in a matter of weeks.

“I must admit that I was somewhat perturbed to find out the process would have to unfold like that, but legally the license holders have due process rights as well as a right to a fair and impartial hearing,” he said. “It (process) is what it is.”

According to an MPD news release issued December 3 by MPD Public Information Manager Anne E. Schwartz, a suspect alerted officers at District 2 on the city’s south side to stores known to buy gold jewelry without asking any questions about the identity of the seller. City ordinances and state statutes require the stores to maintain certain records of these transactions, including identity of the seller, documentation of the sale, and a written declaration of ownership of the jewelry. In October, undercover officers sold jewelry to four stores in District 2. All of the stores violated the ordinance, so search warrants were obtained to check the records and inventories of the stores.

According to the MPD release, officers from District 2 searched Reflections Jewelry at 1306 W. Forest Home, Cash N Gold at 1214 S. Cesar Chavez Dr., John’s Jewelry at 1119 W. Mitchell St., and Star Jewelry at 1212 W. Lincoln Ave. The officers found approximately 1,200 pieces of jewelry that the four stores bought without following proper procedures. Police confiscated the jewelry, which is valued at over \$75,000. Many of the items have been linked to burglaries and thefts in the Milwaukee area, and some of the items have already been returned to the victims.

Officers have issued 85 citations totaling over \$41,000 to the four stores. The investigation continues to try to determine the identity of the suspect who sold the jewelry.