

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE BILL 330

Short Title: Deregulate Pawnbrokers.

(Public)

Sponsors: Senators Swain; Winner and Sands.

Referred to: Judiciary I.

March 1, 1989

A BILL TO BE ENTITLED

AN ACT TO ELIMINATE THE REQUIREMENT THAT PAWNBROKERS BE LICENSED.

The General Assembly of North Carolina enacts:

Section 1. Chapter 91 of the General Statutes reads as rewritten:

"CHAPTER 91.

"PAWNBROKERS.

"§ 91-1. Pawnbroker defined.

Any person, firm, or corporation who shall engage in the business of lending or advancing money on the pledge and possession of personal property, or dealing in the purchasing of personal property or valuable things on condition of selling the same back again at stipulated prices, is hereby declared and defined to be a pawnbroker.

~~"§ 91 No person, firm, or corporation shall engage in the business of lending money, or other things, for profit or on account of specific articles of personal property deposited with the lender in pledge in this State, which business is commonly known as that of pawnbrokers, except in incorporated cities and towns, and without first having obtained a license to do so from such incorporated cities and towns, and by paying the county, State, and municipal tax required by law, and otherwise complying with the requirements made in this and succeeding sections.~~

~~"§ 91bond-~~

~~The board of aldermen, or other governing body, of any city or town in this State may grant to such person, firm, or corporation as it may deem proper, and who shall produce satisfactory evidence of good character, a license authorizing such person, firm,~~

~~1 or corporation to carry on the business of a pawnbroker, which said license shall  
2 designate the house in which such person, firm, or corporation shall carry on said  
3 business, and no person, firm, or corporation shall carry on the business of a  
4 pawnbroker without being duly licensed, nor in any other house than the one designated  
5 in the said license. Every person, firm, or corporation so licensed to carry on the  
6 business of a pawnbroker shall, at the time of receiving such license, file with the mayor  
7 of the city or town granting the same, a bond payable to such city or town in the sum of  
8 one thousand dollars (\$1,000), to be executed by the person so licensed and by two  
9 responsible sureties, or a surety company licensed to do business in the State of North  
10 Carolina, to be approved of by such mayor, which said bond shall be for the faithful  
11 performance of the requirements and obligations pertaining to the business so licensed.  
12 The board of aldermen, or other governing body, shall have full power and authority to  
13 revoke such license and sue for forfeiture of the bond upon a breach thereof. Any person  
14 who may obtain a judgment against a pawnbroker and upon which judgment execution  
15 is returned unsatisfied, may maintain an action in his own name upon the said bond of  
16 said pawnbroker, in any court having jurisdiction of the amount demanded, to satisfy  
17 said judgment.~~

18 **"§ 91-4. Records to be kept.**

19 Every pawnbroker shall keep a book in which shall be legibly written, at the time of  
20 each transaction involving the pawning, pledging or selling of used goods, articles or  
21 things between any person and the pawnbroker, his employee or agent, the following  
22 information:

23 An account and description of the used goods, articles, or things including if  
24 applicable, the manufacturer's name, the model, the model number, the serial number of  
25 the used goods, articles or things, and any engraved numbers or initials found on the  
26 goods, articles or things;

27 The amount of money paid or loaned thereon and the rate of interest to be paid, if  
28 applicable;

29 The date of the transaction; and

30 The name and residence of the person pawning, pledging, or selling the used goods,  
31 articles, or things.

32 The pawnbroker or his employee or agent shall require that the person pawning,  
33 pledging, or selling the used goods, articles, or things, present two forms of positive  
34 identification to him before the pawnbroker may complete any transaction regarding the  
35 pawning, pledging, or buying of used goods, articles, or things; provided, however, that  
36 the presentation of any one state or federal government issued identification containing  
37 a photographic representation imprinted thereon shall constitute compliance with the  
38 identification requirements of this paragraph. The pawnbroker or his employee or agent  
39 shall legibly record this identification information next to the person's name and  
40 residence in the book heretofore required to be kept.

41 Such book shall be a permanent record to be kept at all times on the premises of the  
42 place of business of the pawnbroker and shall be made available, during regular  
43 business hours, to any law-enforcement officer who requests to inspect the book. A  
44 copy of the records required to be kept by this section shall be filed within 48 hours of

1 the transaction in the office of the sheriff of the county in which the pawnshop is located  
2 and the chief of police of the city or town ~~issuing the license to such pawnbroker.~~ in which  
3 the pawnshop is located.

4 **"§ 91-5. Pawn ticket.**

5 Every such pawnbroker shall at the time of each loan deliver to the person pawning  
6 or pledging any used goods, articles, or things, a ticket or memorandum or note signed  
7 by him containing the substance of the entry required to be made by him in his book as  
8 set out in G.S. 91-4. The said tickets or memorandums so issued shall be numbered  
9 consecutively and dated the day issued.

10 **"§ 91-6. Sale of pledges.**

11 No pawnbroker shall sell any pawn or pledge until the same shall have remained 60  
12 days in his possession after the maturity of the debt for which the property was pledged.  
13 And no pawnbroker shall advertise or sell at his place of business as unredeemed  
14 pledges any articles of property other than those received by him as pawns or pledges in  
15 the usual course of his ~~business~~ business. ~~at the place where he is licensed to do business.~~

16 **"§ 91-7. Usury law applicable.**

17 The provisions of this Chapter shall not be construed to relieve any person from the  
18 penalty incurred under the laws against usury in this State.

19 **"§ 91-8. Violation of Chapter misdemeanor.**

20 Any person, firm, or corporation violating the provisions of this Chapter shall be  
21 guilty of a misdemeanor and fined or imprisoned, or both, in the discretion of the court."

22 Sec. 2. This act is effective upon ratification.