

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

S

2

SENATE BILL 330
House Committee Substitute Favorable 5/5/89

Short Title: Permit Pawnbrokers in Counties.

(Public)

Sponsors:

Referred to:

March 1, 1989

1 A BILL TO BE ENTITLED
2 AN ACT TO PERMIT PERSONS TO ENGAGE IN BUSINESS AS A
3 PAWNBROKER IN UNINCORPORATED AREAS OF COUNTIES.

4 The General Assembly of North Carolina enacts:

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

6 "CHAPTER 91.
7 "PAWNBROKERS.

8 "§ 91-1. Pawnbroker defined.

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

13 "~~§ 91-2. License; business confined to municipalities. License.~~

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

1 requirements of this and succeeding sections. Provided, however, no person engaged in
2 business as a pawnbroker in any incorporated city or town shall be required to obtain a
3 pawnbroker license from the county in which such city or town is located but shall
4 obtain only a pawnbroker license from such city or town.

5 **"§ 91-3. Municipal or county authorities to grant and control license; bond.**

6 The board of aldermen, or other governing body, of any city or town in this State or
7 board of commissioners of any county may grant to such person, firm, or corporation as
8 it may deem proper, and who shall produce satisfactory evidence of good character, a
9 pawnbroker license authorizing such person, firm, or corporation to carry on the
10 business of a pawnbroker, which said license shall designate the house in which such
11 person, firm, or corporation shall carry on said business, and no person, firm, or
12 corporation shall carry on the business of a pawnbroker without being duly licensed, nor
13 in any other house than the one designated in the said license. Provided, however, no
14 governing body of any city or town shall have authority to license any person, firm or
15 corporation to carry on the business of a pawnbroker outside the corporate limits of such
16 city or town and no board of county commissioners shall have authority to license any
17 person, firm or corporation to carry on the business of a pawnbroker within the limits of
18 any incorporated city or town. Every person, firm, or corporation so licensed to carry on
19 the business of a pawnbroker shall, at the time of receiving such license, file with the
20 mayor of the city or town granting the same, or with the board of county
21 commissioners, as the case may be, a bond payable to such city or town or to such
22 county, as the case may be, in the sum of one thousand dollars (\$1,000), to be executed
23 by the person so licensed and by two responsible sureties, or a surety company licensed
24 to do business in the State of North Carolina, to be approved of by such ~~mayor,~~ mayor or
25 county commission chairman, which said bond shall be for the faithful performance of
26 the requirements and obligations pertaining to the business so licensed. The board of
27 aldermen, board of county commissioners or other governing body, shall have full
28 power and authority to revoke such license and sue for forfeiture of the bond upon a
29 breach thereof. Any person who may obtain a judgment against a pawnbroker and upon
30 which judgment execution is returned unsatisfied, may maintain an action in his own
31 name upon the said bond of said pawnbroker, in any court having jurisdiction of the
32 amount demanded, to satisfy said judgment.

33 **"§ 91-4. Records to be kept.**

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

38 An account and description of the used goods, articles, or things including if
39 applicable, the manufacturer's name, the model, the model number, the serial number of
40 the used goods, articles or things, and any engraved numbers or initials found on the
41 goods, articles or things;

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

44 The date of the transaction; and

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

3 The pawnbroker or his employee or agent shall require that the person pawning,
4 pledging, or selling the used goods, articles, or things, present two forms of positive
5 identification to him before the pawnbroker may complete any transaction regarding the
6 pawning, pledging, or buying of used goods, articles, or things; provided, however, that
7 the presentation of any one state or federal government issued identification containing
8 a photographic representation imprinted thereon shall constitute compliance with the
9 identification requirements of this paragraph. The pawnbroker or his employee or agent
10 shall legibly record this identification information next to the person's name and
11 residence in the book heretofore required to be kept.

12 Such book shall be a permanent record to be kept at all times on the premises of the
13 place of business of the pawnbroker and shall be made available, during regular
14 business hours, to any law-enforcement officer who requests to inspect the book. A
15 copy of the records required to be kept by this section shall be filed within 48 hours of
16 the transaction in the office of the sheriff of the county ~~in which the pawnshop is located~~
17 ~~and or~~ the chief of police of the city or town issuing the pawnbroker license to such
18 pawnbroker.

19 **"§ 91-5. Pawn ticket.**

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

25 **"§ 91-6. Sale of pledges.**

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

31 **"§ 91-7. Usury law applicable.**

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

34 **"§ 91-8. Violation of Chapter misdemeanor.**

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

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