

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE BILL 330
House Committee Substitute Favorable 5/5/89
House Committee Substitute #2 Favorable 6/8/89
Fourth Edition Engrossed 6/13/89

Short Title: Permit Pawnbrokers in Counties.

(Public)

Sponsors:

Referred to:

March 1, 1989

A BILL TO BE ENTITLED

AN ACT TO PERMIT PERSONS TO ENGAGE IN BUSINESS AS A
PAWNBROKER IN UNINCORPORATED AREAS OF COUNTIES.

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.

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

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.~~ without first having obtained a pawnbroker license from the incorporated cities and towns or from the county in which such person, firm or

1 corporation shall engage in business as a pawnbroker, and by paying the county, State
2 and municipal license tax required by law, and otherwise complying with the
3 requirements of this and succeeding sections. Provided, however, no person engaged in
4 business as a pawnbroker in any incorporated city or town shall be required to obtain a
5 pawnbroker license from the county in which such city or town is located but shall
6 obtain only a pawnbroker license from such city or town.

7 **"§ 91-3. Municipal or county authorities to grant and control license; bond.**

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

35 **"§ 91-4. Records to be kept.**

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

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

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

3 The date of the transaction; and

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

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

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

22 **"§ 91-5. Pawn ticket.**

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

28 **"§ 91-6. Sale of pledges.**

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

34 **"§ 91-7. Usury law applicable.**

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

37 **"§ 91-8. Violation of Chapter misdemeanor.**

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

40 Sec. 2. Chapter 1155 of the 1957 Session Laws, Chapter 768 of the 1967
41 Session Laws, Chapter 361 of the 1977 Session Laws, and Chapter 76 of the 1987
42 Session Laws are repealed.

43 Sec. 3. This act shall not apply to Gaston or Lincoln Counties.

44 Sec. 4. This act is effective upon ratification.