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HOUSE BILL NO. 1591

Offered January 10, 2001

Prefiled November 12, 2000

A BILL to amend and reenact §§ 54.1-4008 and 54.1-4009 of the Code of Virginia, relating to pawnbrokers; required records.

Patron—Callahan

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That §§ 54.1-4008 and 54.1-4009 of the Code of Virginia is amended and reenacted as follows:

§ 54.1-4008. Interest chargeable.

A. No pawnbroker shall ask, demand or receive a greater rate of interest than ~~ten percent per month on a loan of \$25 or less, or seven percent per month on a loan of more than \$25 and less than \$100, or five percent per month on a loan of \$100 or more,~~ secured by a pledge of tangible personal property, *with a minimum charge of two dollars*. No loan shall be divided for the purpose of increasing the percentage to be paid the pawnbroker. Loans may be renewed based on the original loan amount. Loans may not be issued that compound the interest or storage fees from previous loans on the same item.

B. An annual percentage rate computed and disclosed under the provisions of the federal Truth-in-Lending Act shall not be deemed a violation of this section.

§ 54.1-4009. Records to be kept; credentials of person pawning goods.

A. Every pawnbroker shall keep at his place of business an accurate and legible record of each loan or transaction in the course of his business. The account shall be recorded at the time of the loan or transaction and shall include:

1. A description, serial number, and a statement of ownership of the goods, article or thing pawned or pledged or received on account of money loaned thereon;

2. The time, date and place of the transaction;

3. The amount of money loaned thereon at the time of pledging the same;

4. The rate of interest to be paid on such loan;

5. The fees charged by the pawnbroker, itemizing each fee charged;

6. The full name, residence address, telephone number, and driver's license number or other form of identification of the person pawning or pledging the goods, article or thing, together with a particular description, including the height, weight, date of birth, race, gender, hair and eye color, and any other identifying marks, of such person;

7. Verification of the identification by the exhibition of a government-issued identification card such as a driver's license or military identification card. The record shall contain the type of identification exhibited, the issuing agency, and the number thereon;

8. The terms and conditions of the loan, including the period for which any such loan may be made; and

9. All other facts and circumstances respecting such loan.

B. Every pawnbroker shall maintain at his place of business a photographic record of each customer delivering goods, articles or things pawned or pledged from at least one year after the date of the transaction. Such photographic records shall be made available to any duly authorized law-enforcement officer upon request.

C. For each loan or transaction, a pawnbroker may charge a service fee for making the daily reports to the appropriate law-enforcement officers required by law, taking and maintaining the photographic records required under this section, and investigating the legal title to property being pawned or pledged. Such fee shall not exceed ten percent of the amount loaned on such item.

B. D. The Superintendent of State Police shall promulgate regulations specifying the nature of the particular description for the purposes of subdivision A 6 above.

The Superintendent of State Police shall promulgate regulations specifying the nature of identifying credentials of the person pawning or pledging the goods. Such credentials shall be examined by the pawnbroker, and an appropriate record retained thereof.

INTRODUCED

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