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HOUSE BILL NO. 1774

Offered January 9, 2019

Prefiled December 26, 2018

A BILL to amend and reenact §§ 54.1-4009, 54.1-4101, and 54.1-4102 of the Code of Virginia, relating to pawning goods; unexpired government-issued identification card required.

Patrons—Mullin and Lindsey

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That §§ 54.1-4009, 54.1-4101, and 54.1-4102 of the Code of Virginia are amended and reenacted as follows:

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

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, including transactions in which secondhand goods, wares, or merchandise is purchased for resale. 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 or purchased for resale;

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

3. The amount of money loaned thereon at the time of pledging the same or paid as the purchase price;

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 or selling 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 *an unexpired* government-issued identification card bearing *the legal address and* a photograph of the person pawning, pledging, or selling the goods, article, or thing, such as a driver's license or military identification card. *If the government-issued identification card does not bear the current legal address, the person shall present other documentation verifying his current legal address.* The record shall contain the type of identification exhibited, the issuing agency, and the number thereon;

8. A digital image of the form of identification used by the person involved in the transaction, unless the form of identification used is a United States military issued identification or other form of identification included under 18 U.S.C. § 701, in which case the person involved in the transaction shall be required to present an alternate government-issued identification card bearing a photograph of such person or the pawnbroker shall be required to take a photograph of the person involved in the transaction;

9. As to loans, the terms and conditions of the loan, including the period for which any such loan may be made; and

10. All other facts and circumstances respecting such loan or purchase.

B. A pawnbroker may maintain at his place of business an electronic record of each transaction involving goods, articles, or things pawned or pledged or purchased. If maintained electronically, a pawnbroker shall retain the electronic records for at least one year after the date of the transaction and make such electronic records available to any duly authorized law-enforcement officer upon request.

C. For each loan or transaction, a pawnbroker may charge:

1. A service fee for making the daily electronic reports to the appropriate law-enforcement officers required by § 54.1-4010, creating and maintaining the electronic records required under this section, and investigating the legal title to property being pawned or pledged or purchased. Such fee shall not exceed five percent of the amount loaned on such item or paid by the pawnbroker for such item or \$3, whichever is less; and

2. A late fee, not to exceed 10 percent of the amount loaned, for each item that is not claimed by the pledged date, provided that the pawner is notified of the fee on the pawn ticket.

Any person, firm, or corporation violating any of the provisions of this section is guilty of a Class 4 misdemeanor.

D. No goods, article, or thing shall be pawned or pledged or received on account of money loaned or

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59 purchased for resale if the original serial number affixed to the goods, article, or thing has been
60 removed, defaced, or altered.

61 E. The Superintendent of State Police shall promulgate regulations specifying the nature of the
62 particular description for the purposes of subdivision A 6.

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

66 **§ 54.1-4101. Records to be kept; copy furnished to local authorities.**

67 A. Every dealer shall keep at his place of business an accurate and legible record of each purchase of
68 precious metals or gems. The record of each purchase shall be retained by the dealer for at least 24
69 months and shall set forth the following:

70 1. A complete description of all precious metals or gems purchased from each seller. The description
71 shall include all names, initials, serial numbers, or other identifying marks or monograms on each item
72 purchased, the true weight or carat of any gem, and the price paid for each item;

73 2. The date, time, and place of receiving the items purchased;

74 3. The full name, residence address, work place, home and work telephone numbers, date of birth,
75 sex, race, height, weight, hair and eye color, and other identifying marks of the person selling the
76 precious metals or gems;

77 4. Verification of the identification by the exhibition of ~~a~~ *an unexpired* government-issued
78 identification card bearing *the current legal address* and a photograph of the person selling the precious
79 metals or gems, such as a driver's license or military identification card. *If the government-issued*
80 *identification card does not bear the current legal address, the person shall present other documentation*
81 *verifying his current legal address.* The record shall contain the type of identification exhibited, the
82 issuing agency, and the number thereon;

83 5. A statement of ownership from the seller; and

84 6. A digital image of the form of identification used by the person involved in the transaction.

85 B. The information required by subdivisions A 1 through A 3 shall appear on each bill of sale for all
86 precious metals and gems purchased by a dealer, and a copy shall be mailed or delivered within 24
87 hours of the time of purchase to the chief law-enforcement officer of the locality in which the purchase
88 was made.

89 **§ 54.1-4102. Credentials and statement of ownership required from seller.**

90 No dealer shall purchase precious metals or gems without first (i) ascertaining the identity of the
91 seller by requiring an *unexpired* identification card issued by a governmental agency with *the current*
92 *legal address* and a photograph of the seller thereon, and at least one other corroborating means of
93 identification, and (ii) obtaining a statement of ownership from the seller. *If the government-issued*
94 *identification card does not bear the current legal address, the person shall present other documentation*
95 *verifying his current legal address.*

96 The governing body of the locality wherein the dealer conducts his business may determine the
97 contents of the statement of ownership.