

## 1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact §§ 54.1-4000, 54.1-4001, 54.1-4003, 54.1-4009, 54.1-4010, and 54.1-4200*  
 3 *of the Code of Virginia, relating to the definition of pawnbroker.*

4 [H 1773]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**

7 **1. That §§ 54.1-4000, 54.1-4001, 54.1-4003, 54.1-4009, 54.1-4010, and 54.1-4200 of the Code of**  
 8 **Virginia are amended and reenacted as follows:**

9 **§ 54.1-4000. Definition of pawnbroker.**

10 "Pawnbroker" means any *natural* person who lends or advances money or other things for profit on  
 11 the pledge and possession of tangible personal property, or other valuable things, other than securities or  
 12 written or printed evidences of indebtedness or title, or who deals in the purchasing of personal property  
 13 or other valuable things on condition of selling the same back to the seller at a stipulated price.

14 **§ 54.1-4001. License required; license authorized by court; building designated in license;**  
 15 **penalty.**

16 A. No *natural* person shall engage in the business of a pawnbroker without having a valid license  
 17 issued by the county, city, or town in which the pawnbroker conducts such business.

18 B. The circuit court of any county or city may authorize any county, city, or town to issue to any  
 19 ~~individual~~ *natural person*, who has not been convicted of a felony or a crime involving moral turpitude  
 20 in the last ten years, a license to engage in the business of a pawnbroker in that county, city, or town.  
 21 No such license shall be issued by any county, city, or town except with such authority. Prior to the  
 22 issuance of the license, the applicant shall furnish his date of birth, a sworn statement or affirmation  
 23 disclosing any criminal convictions or any pending criminal charges, whether within or without the  
 24 Commonwealth, and such other information to the licensing authority as may be required by the  
 25 governing body. The license shall designate the building in which the licensee shall carry on such  
 26 business.

27 C. No *natural* person shall engage in the business of a pawnbroker in any location other than the one  
 28 designated in his license, except with consent of the court which authorized the license.

29 D. Any *natural* person who violates the provisions of this section shall be guilty of a Class 1  
 30 misdemeanor. Each day's violation shall constitute a separate offense.

31 **§ 54.1-4003. Bond required; private action on bond.**

32 A. No *natural* person shall be licensed as a pawnbroker or engage in the business of a pawnbroker  
 33 without having in existence a bond with surety in the minimum amount of \$50,000 to secure the  
 34 payment of any judgment recovered under the provisions of subsection B.

35 B. Any person who recovers a judgment against a licensed pawnbroker for the pawnbroker's  
 36 misconduct may maintain an action in his own name upon the bond of the pawnbroker if the execution  
 37 issued upon such judgment is wholly or partially unsatisfied.

38 **§ 54.1-4009. Records to be kept; credentials of person pawning goods; fee; penalty.**

39 A. Every pawnbroker shall keep at his place of business an accurate and legible record of each loan  
 40 or transaction in the course of his business, including transactions in which secondhand goods, wares, or  
 41 merchandise is purchased for resale. The account shall be recorded at the time of the loan or transaction  
 42 and shall include:

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

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

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

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

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

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

54 7. Verification of the identification by the exhibition of a government-issued identification card  
 55 bearing a photograph of the person pawning, pledging, or selling the goods, article, or thing, such as a  
 56 driver's license or military identification card. The record shall contain the type of identification

57 exhibited, the issuing agency, and the number thereon;

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

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

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

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

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

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

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

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

81 D. No goods, article, or thing shall be pawned or pledged or received on account of money loaned or  
82 purchased for resale if the original serial number affixed to the goods, article, or thing has been  
83 removed, defaced, or altered.

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

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

89 **§ 54.1-4010. Daily reports.**

90 A. Every pawnbroker shall prepare a daily report of all goods, articles, or things pawned or pledged  
91 with him or sold to him that day and shall file such report by noon of the following day with the chief  
92 of police or other law-enforcement officer of the county, city, or town where his business is conducted  
93 designated by the local attorney for the Commonwealth to receive it. The report shall include the  
94 pledgor's or seller's name, residence, and driver's license number or other form of identification; a  
95 photograph or digital image of the form of identification used by the pledgor or seller; and a description  
96 of the goods, articles, or other things pledged or sold and, unless maintained in electronic format, shall  
97 be in writing and clearly legible to any person inspecting it. A pawnbroker may compile and maintain  
98 the daily report in an electronic format and, if so maintained, shall file the required daily reports  
99 electronically with the appropriate law-enforcement officer through use of a disk, electronic transmission,  
100 or any other electronic means of reporting approved by the law-enforcement officer. Any local  
101 governing body, may by ordinance, require a pawnbroker to maintain and file a daily report  
102 electronically through the use of a disk, electronic transmission, or any other electronic means of  
103 reporting approved by the law-enforcement officer.

104 B. The Department of State Police shall adopt regulations for the uniform reporting of information  
105 required by this section.

106 C. Any *natural* person, ~~firm, or corporation~~ violating any of the provisions of this section is guilty of  
107 a Class 4 misdemeanor.

108 **§ 54.1-4200. Definitions.**

109 For the purpose of this chapter, unless the context requires a different meaning:

110 "Dealer in firearms" means (i) any person, firm, partnership, or corporation engaged in the business  
111 of selling, trading or transferring firearms at wholesale or retail; (ii) any person, firm, partnership, or  
112 corporation engaged in the business of making or fitting special barrels, stocks, or trigger mechanisms to  
113 firearms; or (iii) any *natural* person, ~~firm, partnership, or corporation~~ that is a pawnbroker.

114 "Engaged in business" means as applied to a dealer in firearms a person, firm, partnership, or  
115 corporation that devotes time, attention, and labor to dealing in firearms as a regular course of trade or  
116 business with the principal objective of livelihood and profit through repetitive purchase or resale of  
117 firearms, but such term shall not involve a person who makes occasional sales, exchanges, or purchases

118 of firearms for the enhancement of a personal collection or for a hobby, or who sells all or part of his  
119 personal collection of firearms.

120 "Firearms show" means any gathering or exhibition, open to the public, not occurring on the  
121 permanent premises of a dealer in firearms, conducted principally for the purposes of exchanging, selling  
122 or trading firearms as defined in § 18.2-308.2:2.

123 **2. That any county, city, or town may extend the license of a pawnbroker that is not a natural**  
124 **person for a period of up to one year after the effective date of this act.**

ENROLLED

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