

## Session 121 - (2015-2016)

**H\*4090 (Rat #0300, Act #0262 of 2016) General Bill, By Bedingfield, Sandifer, G.A. Brown, Ballentine and Loftis**

**Summary:** Pawnbrokers

AN ACT TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 40-29-55 SO AS TO PROVIDE FOR THE PERIODIC ADJUSTMENT OF CERTAIN MONETARY REQUIREMENTS IN A CERTAIN MANNER, TO PROVIDE THE DEPARTMENT OF CONSUMER AFFAIRS TIMELY SHALL PUBLISH NOTICE OF SUCH CHANGES IN THE STATE REGISTER, TO PROVIDE PEOPLE WHO RELY ON CURRENT PUBLISHED DOLLAR AMOUNTS AT THE TIME TRANSACTIONS OCCUR MAY NOT BE CONSIDERED TO VIOLATE THE PROVISIONS OF CHAPTER 29, TITLE 40 WHEN DOLLAR AMOUNTS SUBSEQUENTLY CHANGE; BY ADDING SECTION 40-29-145 SO AS TO PROVIDE HOLD ORDERS THAT MAY BE PLACED ON PROPERTY IN THE POSSESSION OF PAWNBROKERS WHO SUSPECT THE PROPERTY HAS BEEN MISAPPROPRIATED OR STOLEN, AND TO PROVIDE RELATED REQUIREMENTS CONCERNING REQUIREMENTS AND SPECIFICATIONS OF THESE ORDERS AND PROPERTY ON WHICH HOLD ORDERS ARE PLACED; BY ADDING SECTION 40-29-155 SO AS TO PROVIDE AGGRIEVED PARTIES ARE ENTITLED TO CONTESTED CASE HEARINGS BEFORE THE ADMINISTRATIVE LAW COURT FOR FINAL ADMINISTRATIVE ORDERS, ABSENT WHICH THE DEPARTMENT MAY BRING ACTIONS TO ENFORCE ITS ORDERS; TO AMEND SECTION 40-39-10, RELATING TO DEFINITIONS CONCERNING THE REGULATION OF PAWNBROKERS BY THE DEPARTMENT, SO AS TO REVISE THE DEFINITION OF "PLEDGED GOODS" SPECIFICALLY TO EXCLUDE CERTAIN VEHICLES; TO AMEND SECTION 40-39-20, RELATING TO CERTIFICATES OF AUTHORITY REQUIRED OF PAWN BROKERS, SO AS TO CLARIFY CHARACTERISTICS THAT NECESSITATE CERTIFICATES OF AUTHORITY, TO REVISE REQUIREMENTS CONCERNING BACKGROUND CHECKS REQUIRED FOR CERTIFICATES OF AUTHORITY, TO PROVIDE PAWNBROKERS SHALL COMPLY WITH THESE REQUIREMENTS BEFORE HIRING EMPLOYEES, TO PROVIDE APPLICANTS FOR EMPLOYMENT SHALL PAY THE ACTUAL COSTS OF THESE BACKGROUND CHECKS, TO PROVIDE FINANCIAL RESPONSIBILITY AND OTHER CRITERIA REQUIRED FOR CERTIFICATES OF AUTHORITY, AND TO PROVIDE A REBUTTABLE PRESUMPTION OF MEETING THESE CRITERIA IN CERTAIN CIRCUMSTANCES; TO AMEND SECTION 40-39-30, RELATING TO THE REQUIREMENT OF CERTIFICATE OF AUTHORITY FOR EACH BUSINESS LOCATION OF A PAWNBROKER, SO AS TO PROVIDE PAWNBROKERS MAY NOT RETAIN PLEDGED GOODS IN LOCATIONS NOT DESIGNATED IN HIS CERTIFICATE OF AUTHORITY WITHOUT FIRST PROVIDING CERTAIN NOTICE TO THE DEPARTMENT, AND TO PROVIDE A PAWNBROKER CONSPICUOUSLY SHALL POST THE HOURS OF OPERATION AND ANY CLOSURE AT EACH LOCATION; TO AMEND SECTION 40-39-40, RELATING TO THE PROHIBITION ON UNAUTHORIZED FEES, SO AS TO PROVIDE A PAWNBROKER THAT COLLECTS SUCH UNAUTHORIZED FEES MAY NOT COLLECT, RECEIVE, OR RETAIN ANY INTEREST OR CHARGES ON THE LOAN IN VIOLATION OF THIS CHAPTER AND HAS NO RIGHT TO POSSESS THE PLEDGED GOODS; TO AMEND SECTION 40-39-50, RELATING TO BONDS AND OTHER EVIDENCE OF FINANCIAL RESPONSIBILITY REQUIRED FOR CERTIFICATES OF AUTHORITY, SO AS TO REVISE AND DELETE SOME EXISTING REQUIREMENTS AND TO PROVIDE PAWNBROKERS SHALL PROVIDE CERTAIN NOTICE OF OCCURRENCES THAT MAY AFFECT PLEDGED GOODS WITHIN TWENTY-ONE CALENDAR DAYS AFTER THE OCCURRENCE; TO AMEND SECTION 40-39-70, RELATING TO PAWNBROKER RECORD KEEPING REQUIREMENTS, SO AS TO REQUIRE CERTAIN VERIFICATION OF PLEDGORS' OR SELLERS' IDENTITIES, AND TO PROVIDE PAWN AND PURCHASE TRANSACTIONS MUST BE PERFORMED BY THE OWNER OF THE PROPERTY, OR HIS AUTHORIZED AGENT, WHOSE IDENTITY AND AGENCY RELATIONSHIP MUST BE VERIFIED BY THE PAWNBROKER; TO AMEND SECTION 40-39-80, RELATING TO THE ISSUANCE OF A MEMORANDUM OR NOTE AT THE TIME OF PAWNING AND PLEDGING, SO AS TO CHARACTERIZE THE MEMORANDUM OR NOTE AS A "PAWN TICKET" AND TO SATISFY RELATED REQUIREMENTS, AMONG OTHER THINGS; TO AMEND SECTION 40-39-100, RELATING TO PERMISSIBLE CHARGES ON LOANS BY PAWNBROKERS, SO AS TO REVISE THE MAXIMUM PERMISSIBLE AMOUNT; TO AMEND SECTION 40-39-120, RELATING TO RENEWALS OF A CERTIFICATE OF AUTHORITY, SO AS TO PROVIDE PENALTIES FOR FAILING TO TIMELY RENEW, AND TO PROVIDE REQUIREMENTS FOR PAWN SHOPS THAT MUST CLOSE BECAUSE OF THE SURRENDER OR REVOCATION OF THEIR CERTIFICATE OF AUTHORITY; TO AMEND SECTION 40-39-140, RELATING TO PLEDGED OR PAWNED PROPERTY OWNED BY THIRD PARTIES, SO AS TO PROVIDE CIRCUMSTANCES IN WHICH PAWNBROKERS MUST RETURN SUCH PROPERTY TO THE THIRD PARTIES, TO PROVIDE MONETARY PENALTIES AGAINST PLEDGORS AND SELLERS OF SUCH LEASED PROPERTY, AND TO PROVIDE PAWNBROKERS ARE NOT LIABLE TO SUCH PLEDGORS AND SELLERS FOR SUCH RETURNED PROPERTY; AND TO AMEND SECTION 40-39-150, RELATING TO FINES AND PENALTIES FOR VIOLATIONS, SO AS TO TRANSFER THE AUTHORITY TO ORDER CERTAIN EQUITABLE RELIEF FROM THE ADMINISTRATIVE LAW COURT TO THE DEPARTMENT; AND TO PROVIDE

COUNTIES AND MUNICIPALITIES MAY ENACT ORDINANCES THAT COMPLY WITH, BUT THAT ARE NOT MORE RESTRICTIVE THAN, THE PROVISIONS OF THIS ACT, AND TO PROVIDE EXCEPTIONS, AMONG OTHER THINGS. -

ratified title

04/29/15	House	Introduced and read first time (House Journal-page 100)
04/29/15	House	Referred to Committee on Labor, Commerce and Industry (House Journal-page 100)
02/10/16	House	Committee report: Favorable with amendment Labor, Commerce and Industry (House Journal-page 2)
02/11/16	House	Amended (House Journal-page 51)
02/11/16	House	Read second time (House Journal-page 51)
02/11/16	House	Roll call Yeas-97 Nays-0 (House Journal-page 64)
02/11/16	House	Unanimous consent for third reading on next legislative day (House Journal-page 66)
02/12/16	House	Read third time and sent to Senate (House Journal-page 2)
02/16/16	Senate	Introduced and read first time (Senate Journal-page 6)
02/16/16	Senate	Referred to Committee on Labor, Commerce and Industry (Senate Journal-page 6)
04/19/16	Senate	Committee report: Favorable with amendment Labor, Commerce and Industry (Senate Journal-page 14)
04/20/16		Scrivener's error corrected
05/11/16	Senate	Committee Amendment Adopted (Senate Journal-page 56)
05/11/16	Senate	Amended (Senate Journal-page 56)
05/12/16		Scrivener's error corrected
05/31/16	Senate	Amended (Senate Journal-page 28)
05/31/16	Senate	Read second time (Senate Journal-page 28)
06/02/16	Senate	Read third time and returned to House with amendments (Senate Journal-page 53)
06/02/16	Senate	Roll call Ayes-41 Nays-0 (Senate Journal-page 53)
06/02/16	House	Concurred in Senate amendment and enrolled (House Journal-page 80)
06/02/16	House	Roll call Yeas-96 Nays-0 (House Journal-page 80)
06/06/16		Ratified R 300
06/09/16		Signed By Governor
06/15/16		Effective date 06/09/16
06/16/16		Act No. 262