**South Carolina General Assembly**

119th Session, 2011-2012

**H. 4062**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Murphy, McCoy, Crosby and Daning

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Introduced in the House on April 12, 2011

Currently residing in the House Committee on **Labor, Commerce and Industry**

Summary: Pawnbroker pledged goods database created

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

4/12/2011 House Introduced and read first time ([House Journal‑page 10](file:///h:\hj%20archive\2011\04-12-11.docx))

4/12/2011 House Referred to Committee on **Labor, Commerce and Industry** ([House Journal‑page 10](file:///h:\hj%20archive\2011\04-12-11.docx))

**VERSIONS OF THIS BILL**

[4/12/2011](file:///p:\pprever\2011-12\4062_20110412.docx)

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 40‑39‑85 SO AS TO CREATE THE “PAWNBROKER PLEDGED GOODS DATABASE” TO SERVE AS A CENTRAL, STATEWIDE, ELECTRONIC REPOSITORY OF RECORDS CONCERNING GOODS RECEIVED BY A PAWNBROKER IN A PAWN TRANSACTION, TO PROVIDE TIME LIMITS BY WHICH THE DEPARTMENT OF CONSUMER AFFAIRS MUST ESTABLISH THIS DATABASE AND BY WHICH A PAWNBROKER MUST SUBMIT INFORMATION TO THE DATABASE, TO PROVIDE THE DATABASE MUST BE SECURE AND AVAILABLE TO LAW ENFORCEMENT, TO PROVIDE FOR REPORTING METHODS A PAWNBROKER MUST FOLLOW IN THE EVENT RECORD REPORTING TO THE DATABASE IS NOT POSSIBLE DUE TO COMPUTER OR ELECTRONIC MALFUNCTION, AND TO PROVIDE PENALTIES FOR VIOLATIONS; AND TO AMEND SECTION 40‑39‑10, RELATING TO DEFINITIONS CONCERNING PAWNBROKERS, SO AS TO DEFINE THE TERM “DATABASE”.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Chapter 39, Title 40 of the 1976 Code is amended by adding:

“Section 40‑39‑85. (A) There is created under the Department of Consumer Affairs a central electronic database known as the ‘Pawnbroker Pledged Goods Database’ which must serve as a statewide repository for all information pawnbrokers are required to obtain and record under section 40‑39‑70. Before December 31, 2011, the department shall develop and make this database available through an Internet site where:

(1) a pawnbroker may securely enter this information into the database; and

(2) law enforcement may securely access this information from the database for investigation purposes.

(B) After December 31, 2011, a pawnbroker shall enter information required under subsection 40‑39‑70 into the database within twenty‑four hours after the transaction occurs or be subject to a fine of one hundred dollars a day for each report that is not timely submitted or is submitted incompletely, subject to the exceptions provided in subsection (C).

(C)(1) A pawnbroker who experiences a computer or electronic malfunction that affects its ability to report transactions as required in this section immediately shall notify the department of the malfunction.

(2) The pawnbroker shall solve the malfunction within three business days or notify the department of the reasons for the delay and provide documentation from a reputable computer maintenance company of the reasons why the computer or electronic malfunction cannot be solved within three business days.

(3) A computer or electronic malfunction does not suspend the obligation of the pawnbroker to comply with the other provisions of this chapter.

(4) During the pendency of a malfunction under this section, the pawnbroker shall provide to the department by mail or facsimile copies of the records required pursuant to Section 40‑39‑70 and the department shall enter this information in the database.

(5) Failure to comply with the provisions of this subsection must subject a pawnbroker to a fine of one hundred dollars a day for each report that is not timely submitted or submitted incompletely.

(D) A fine assessed under this section must be paid to the department to be kept in a separate fund for the maintenance of the database and enforcement of violations.”

SECTION 2. Section 40‑39‑10 of the 1976 Code is amended to read:

“Section 40‑39‑10. The following definitions apply for purposes of this chapter:

(1) ‘Database’ means the Pawnbroker Pledged Goods Database created by Section 40‑39‑85.

‘(2) ‘Person’ means an individual, partnership, corporation, joint venture, trust, association, or any other legal entity however organized.

(~~2~~3) ‘Pawnbroker’ means any person engaged in the business of lending money on the security of pledged goods, or engaged in the business of purchasing tangible personal property on condition that it may be redeemed or repurchased by the seller for a fixed price within a fixed period of time.

(~~3~~4) ‘Pledged goods’ means tangible personal property other than choses in action, title, securities, or printed evidences of indebtedness, which property is deposited with or otherwise actually delivered into the possession of a pawnbroker in the course of his business in connection with a pawn transaction.

(~~4~~5) ‘Pawnshop’ means the location at which or premises in which a pawnbroker regularly conducts business.

(~~5~~6) ‘Month’ means that period of time from one date in a calendar month to the corresponding date in the following calendar month, but if there is no corresponding date, then the last day of the following month, and when computations are made for a fraction of a month, a day is one‑thirtieth of a month.

(~~6~~7) ‘Administrator’ means the administrator of the Department of Consumer Affairs.

(~~7~~8) ‘Pawn transaction’ means the pledging with a pawnbroker under this chapter of a single item of goods or tangible personal property as security for a loan of money. Items that are usually sold as a set are considered a single item and must be included in the same transaction, and a pledged item together with items that are accessories to the pledged item are considered a single item and must be included in the same transaction. A separate pawn transaction retains its separate character when it is renewed, unless the parties agree otherwise.”

SECTION 3. This act takes effect upon approval by the Governor.

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