**South Carolina General Assembly**

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**S. 1049**

**STATUS INFORMATION**

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

Summary: Pawn shops

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

2/25/2014 Senate Introduced and read first time ([Senate Journal‑page 7](file:///H:\SJ%20Archive\2014\02-25-14.docx))

2/25/2014 Senate Referred to Committee on **Labor, Commerce and Industry** ([Senate Journal‑page 7](file:///H:\SJ%20Archive\2014\02-25-14.docx))

**VERSIONS OF THIS BILL**

[2/25/2014](file:///p:\pprever\2013-14\1049_20140225.docx)

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 40‑39‑25 SO AS TO PROVIDE A PERSON WHO DOES NOT HOLD A CERTIFICATE OF AUTHORITY TO TRANSACT BUSINESS AS A PAWN SHOP MAY NOT DISPLAY CERTAIN INDICIA OF A PAWN SHOP ON THE PREMISES OF HIS BUSINESS OR HOLD HIMSELF OUT TO THE PUBLIC TO BE A PAWNBROKER; BY ADDING SECTION 40‑39‑55 SO AS TO PROVIDE A METHOD FOR PERIODICALLY REVISING FEES, FINES, LOAN CHARGES, AND OTHER MONETARY DESIGNATIONS IN THE CHAPTER SUBJECT TO CERTAIN LIMITS AND EXCEPTIONS, TO REQUIRE PUBLICATION OF THESE REVISIONS IN A NOTICE IN THE STATE REGISTER, AND TO PROVIDE NECESSARY DEFINITIONS; BY ADDING SECTION 40‑39‑155 SO AS TO PROVIDE REMEDIES UNDER THE ADMINISTRATIVE PROCEDURES ACT FOR A PERSON AGGRIEVED BY A FINAL ADMINISTRATIVE ORDER ISSUED PURSUANT TO THIS CHAPTER; BY ADDING SECTION 40‑39‑165 SO AS TO PROVIDE LOCAL GOVERNMENTS MAY ENACT NO ORDINANCE MORE RESTRICTIVE THAN THE PROVISIONS OF THIS CHAPTER, SUBJECT TO CERTAIN EXCEPTIONS; TO AMEND SECTION 40‑39‑10, RELATING TO DEFINITIONS CONCERNING THE REGULATION OF PAWNBROKERS, SO AS TO AMEND THE DEFINITION OF “PLEDGED GOODS”; TO AMEND SECTION 40‑39‑20, RELATING TO REGULATION OF PAWNBROKERS BY THE DEPARTMENT OF CONSUMER AFFAIRS, SO AS TO REVISE THE CRIMINAL BACKGROUND CHECK REQUIREMENTS AND FINANCIAL RESPONSIBILITY REQUIREMENTS, AND TO PROVIDE A PAWNBROKER MAY NOT EMPLOY A PERSON CONVICTED OF A FELONY TO DO THE WORK OF A PAWNBROKER, SUBJECT TO CERTAIN EXCEPTIONS; TO AMEND SECTION 40‑39‑30, RELATING TO THE REQUIREMENT OF A CERTIFICATE OF AUTHORITY FOR EACH LOCATION, SO AS TO PROVIDE A PAWNBROKER MAY NOT RETAIN PLEDGED GOODS IN A LOCATION OTHER THAN THE ONE DESIGNATED IN THE CERTIFICATE WITHOUT FIRST FILING A RATIFICATION WITH THE DEPARTMENT ON FORMS PRESCRIBED BY THE DEPARTMENT, AND TO PROVIDE A PAWNBROKER SHALL CONSPICUOUSLY POST HIS HOURS OF OPERATION; TO AMEND SECTION 40‑39‑40, RELATING TO UNAUTHORIZED FEES PROHIBITED BY PAWNBROKERS, SO AS TO PROVIDE PENALTIES FOR VIOLATIONS; TO AMEND SECTION 40‑39‑50, RELATING TO REQUIRED EVIDENCE OF FINANCIAL RESPONSIBILITY, SO AS TO REVISE THE REQUIREMENTS; TO AMEND SECTION 40‑39‑70, RELATING TO MANDATORY RECORD OF LOANS AND GOODS PAWNED AND PLEDGED, SO AS TO IMPOSE CERTAIN REQUIREMENTS FOR VERIFICATION OF PLEDGORS AND SELLERS, AND TO REQUIRE THE PAWN TRANSACTION BE CONDUCTED ONLY BY THE PAWNBROKER OR HIS AUTHORIZED AGENT, WHOSE IDENTITY MUST BE VERIFIED BY THE PAWNBROKER; TO AMEND SECTION 40‑39‑80, RELATING TO THE MANDATORY ISSUANCE OF A MEMORANDUM OF NOTE BY A PAWNBROKER TO THE PERSON PAWNING OR PLEDGING ITEMS, SO AS TO REVISE REQUIREMENTS FOR THE MEMORANDUM OR NOTE; TO AMEND SECTION 40‑39‑100, RELATING TO CHARGES AND INTEREST ON LOANS BY A PAWNBROKER, SO AS TO INCREASE THE MAXIMUM AMOUNT OF INTEREST THAT MAY BE CHARGED AND THE MAXIMUM AMOUNT OF A LOAN THAT MAY BE MADE; TO AMEND SECTION 40‑39‑120, RELATING TO FEES FOR A CERTIFICATE OF AUTHORITY, SO AS TO PROVIDE ADDITIONAL FEES FOR FAILURE TO TIMELY RENEW, AND TO REQUIRE A PAWNBROKER TO MAINTAIN CERTAIN BUSINESS HOURS FOR SPECIFIC PURPOSES IN THE EVENT OF A CLOSURE; TO AMEND SECTION 40‑39‑140, RELATING TO THE PROHIBITED ACCEPTANCE OF THE PROPERTY OF A THIRD PARTY FROM A PLEDGOR, SO AS TO APPLY THE PROHIBITION TO THIRD PARTY‑OWNED PROPERTY ACCEPTED FROM A SELLER, AND TO PROVIDE CIRCUMSTANCES WHEN LEASED PROPERTY SOLD OR PLEDGED TO A PAWNBROKER MUST BE RETURNED TO THE LESSOR, AND TO LIMIT THE PAWNBROKERS LIABILITY TO THE PLEDGOR OR SELLER FOR MAKING SUCH A RETURN; AND TO AMEND SECTION 40‑39‑150, RELATING TO THE IMPOSITION OF FINES FOR VIOLATIONS, SO AS TO PROVIDE THE DEPARTMENT MAY DIRECTLY ISSUE A CEASE AND DESIST ORDER RATHER THAN HAVING TO OBTAIN THE ORDER FROM THE ADMINISTRATIVE LAW COURT.

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 40‑39‑25. A person other than a holder of a certificate of authority under this chapter may not display a sign or other device in or about the premises of business, or in an advertising medium or another medium that otherwise resembles the emblem or sign commonly used by pawnbrokers, nor may there be a sign displayed that is calculated to deceive, nor may the words ‘pawnbroker’, ‘pawnshop’, or ‘pawn’ be used in or about the premises of business or in any advertising media, printed matter or electronic media, nor may such a person hold himself out to the public to be a pawnbroker, either through advertising, soliciting, signs, or otherwise.”

SECTION 2. Chapter 39, Title 40 of the 1976 Code is amended by adding:

“Section 40‑39‑55. (A) For the purposes of this chapter:

(1) ‘Index’ means the Consumer Price Index for Urban Wage Earners and Clerical Workers: U. S. City Average, All Items, 1996=100, compiled by the Bureau of Labor Statistics, United States Department of Labor; and

(2) ‘Reference base index’ means the index for December 2013.

(B)(1) The dollar amounts in this chapter must change as provided in this section according to changes in the index. The designated dollar amounts shall change on July first of every fifth year if the percentage of change, calculated to the nearest whole percentage point, between the Index at the end of the preceding year and the Reference Base Index is ten percent or more; provided, however, that the:

(a) portion of the percentage change in the index in excess of a multiple of ten percent must be disregarded and the dollar amounts must change only in multiples of ten percent of the amounts appearing in this chapter; and

(b) dollar amounts shall not change if the amounts required by this section are those currently in effect from an earlier application of this section.

(2) If the index is revised, the percentage of change pursuant to this section must be calculated on the basis of the revised index. If a revision of the index changes the Reference Base Index, a revised Reference Base Index must be determined by multiplying the Reference Base Index then applicable by the rebasing factor furnished by the Bureau of Labor Statistics. If the index is superseded, the index applicable to this section must be the one represented by the Bureau of Labor Statistics as most accurately reflecting the changes in the purchasing power of the dollar for consumers.

(3) The administrator, as defined in Section 40‑39‑10(6), shall publish a notice in the State Register:

(a) of the changes in dollar amounts required by subitem (1)(b), which must be so published before May first of each year in which dollar amounts are to change; and

(b) changes in the index required by item (3) including, if applicable, the numerical equivalent of the Reference Base Index under a revised Reference Base Index and the designation or title of any index superseding the index, and these changes must be published as soon as practical after the changes occur.

(4) A person must not be considered to violate the provisions of this chapter with respect to a transaction otherwise complying with those provisions if he relies on dollar amounts either determined according to subsection (2) or appearing in the last notice of the administrator announcing the dollar amounts current at that time.

(C) The dollar amounts may not change more than ten percent for each adjustment period.

(D) The dollar amounts concerning the bond in Section 40‑39‑50(A)(1) and concerning the maximum load amount in Section 40‑39‑100(C) are subject to change pursuant to the provisions of this section.”

SECTION 3. Chapter 39, Title 40 of the 1976 Code is amended by adding:

“Section 40‑39‑155. A person aggrieved by a final administrative order may request a contested case hearing before the Administrative Law Court pursuant to the Administrative Procedures Act. If the person fails to request a contested case hearing within the time provided in the court’s rules of procedure, the department may bring an action to enforce its order pursuant to the Administrative Procedures Act.”

SECTION 4. Chapter 39, Title 40 of the 1976 Code is amended by adding:

“Section 40‑39‑165. (A) A county or municipality may enact ordinances that are in compliance with, but not more restrictive than this chapter, except that local ordinances must not:

(1) require the payment of a fee or tax related to a pawn transaction or purchase unless authorized pursuant to this chapter; or

(2) restrict hours of operations other than between midnight and six o’clock a.m.

(B) An ordinance that conflicts with this section is void.

(C) This section does not affect the authority of a county or municipality to establish land use controls or require a pawnbroker to obtain a local occupational license.”

SECTION 5. Section 40‑39‑10(3) of the 1976 Code is amended to read:

“(3) ‘Pledged goods’ means tangible personal property other than vehicles as defined in Section 56‑3‑20(1) required to be registered and licensed purchased pursuant to Title 5, 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.”

SECTION 6. Section 40‑39‑20 of the 1976 Code is amended to read:

“Section 40‑39‑20. (A)(1) All pawnbrokers conducting business in this State are under the authority of and regulated by the Department of Consumer Affairs, the administrator of which has the authority to promulgate regulations as he considers necessary to carry out the conditions and intent of this chapter.

(2) ~~No~~ A person may not carry on the business of a pawnbroker in any location in this State without first having obtained a certificate of authority for each location from the Department of Consumer Affairs.

(B) Upon receipt of the application for the certificate of authority, the Department of Consumer Affairs shall notify the law enforcement agency having jurisdiction where the applicant intends to do business. The law enforcement agency ~~shall conduct a criminal background investigation of the applicant and upon its completion shall make the results of the investigation known to the administrator of the Department of Consumer Affairs along with~~ may make its ~~appropriate~~ recommendation on the issuance of the certificate of authority.

(C)(1) Before issuance of a certificate of authority, a national criminal record background check must be conducted for all owners, partners, members, officers, directors, employees and other persons occupying a similar status or otherwise directly or indirectly controlling the pawnshop. The applicant pawnbroker is responsible for either:

(a) conducting, documenting, and attesting that a national criminal record background check has been completed for each person; or

(b) submitting consent from each person to a national criminal history record check and a set of fingerprints in a form acceptable to the administrator. Using the information supplied by the administrator to SLED, the applicant must undergo a national criminal record checks, supported by fingerprints, by the Federal Bureau of Investigation. The results of these national criminal record background checks must be reported to the administrator. The administrator shall keep all information pursuant to this section privileged, in accordance with applicable state and federal guidelines.

(2) Before hiring an employee, a pawnbroker must comply with the requirements of item (1).

(3) Actual costs associated with the required national criminal record background checks must be paid by the applicant pawnbroker.

(D) Upon the filing of an application for a certificate of authority, if the administrator finds that the financial responsibility and experience of the applicant and its employees, members, partners, officers and directors, if applicable, would likely command the confidence of the community and warrant belief that the business may be operated honestly, fairly, and efficiently according to the purposes of this chapter and in accordance with all applicable state and federal laws, it shall issue a certificate of authority. However, if the administrator finds to the contrary, it shall refuse to issue the certificate of authority to the applicant and shall notify him of the denial.

(E) A person convicted of a felony may not be issued a certificate of authority to carry on the business of a pawnbroker or in any manner engage in the business of a pawnbroker, except that any person who is in the business of a pawnbroker on July 1, 1988, and who has been convicted of a felony before this date may be issued a certificate of authority and upon receiving it may continue in the business of a pawnbroker but if this person is convicted of a felony on or after July 1, 1988, he may not thereafter be issued a certificate of authority or carry on the business of a pawnbroker after the date of this subsequent felony conviction.

(F)(1) A pawnbroker may not employ a person convicted of a felony to carry on the business of a pawnbroker or in any manner engage in the business of a pawnbroker, unless the person:

(a) is an employee of a pawnbroker on the effective date of this part and has not been convicted of a subsequent felony; or

(b) is not an employee of a pawnbroker on the effective date of this part and the felony conviction occurred more than ten years preceding the person’s application for employment.

(2) Subject to items (1)(a) and (b), a person receiving a felony conviction may not be eligible for employment with a pawnbroker or in any manner engage in the business of a pawnbroker until a period of ten years passes from the conviction date without receiving a subsequent felony conviction.”

SECTION 7. Section 40‑39‑30 of the 1976 Code is amended to read:

“Section 40‑39‑30. (A) ~~No~~ A person may not carry on the business of a pawnbroker in ~~any~~ a location other than the one designated in his certificate of authority, under penalty of administrative fine, revocation of his certificate of authority, or other action by the administrator pursuant to regulation or criminal prosecution as set out in this chapter.

(B) A pawnbroker may not retain pledged goods in any location other than one designated in the certificate of authority without first filing a ratification with the department. A request made pursuant to this subsection must be on a form prescribed by the department.

(C) A pawnbroker shall conspicuously post his hours of operation and any closure.”

SECTION 8. Section 40‑39‑40 of the 1976 Code is amended to read:

“Section 40‑39‑40. (A) ~~No~~ A pawnbroker may not charge or collect any fees, costs, or assessments of any kind or nature other than those specifically allowed under this chapter.

(B) If a person makes a pawn transaction in violation of this chapter, he has no right to:

(1) collect, receive, or retain an interest or charge on the ban; or

(2) process the pledged goods.”

SECTION 9. Section 40‑39‑50 of the 1976 Code is amended to read:

“Section 40‑39‑50. (A) Every person seeking a certificate of authority to carry on the business of a pawnbroker shall at the time of application for his certificate file with the Department of Consumer Affairs both:

(1) a bond in favor of the department to be executed by the person granted the certificate ~~and by two responsible sureties or~~ by a surety company licensed to do business in this State in the penal sum of ~~five~~ twenty‑five thousand dollars to be approved by the administrator. The bond must be conditioned for the faithful performance of the duties and obligations pertaining to the business so authorized~~. In lieu of the above, other evidence of financial responsibility approved by the administrator must be submitted, including, but not limited to, letters of credit or certificates of deposit. Each applicant shall also file proof of his net worth which must be a minimum of thirty‑five thousand dollars until that time as liability insurance covering the contents of the pawn location is secured by the pawnbroker. The amount of the liability insurance required must be set by regulations promulgated by the administrator~~; and

(2) proof of adequate insurance coverage for all pledged goods in the event of loss by fire, theft, burglary, or otherwise, or liability to the pledgor.

(B) Within twenty‑one calendar days after the occurrence of an event that may affect pledged goods including, but not limited to, fire, theft, or court proceedings, a pawnbroker shall file a written notice on a form prescribed by the department that describes the event and its expected impact on the business.”

SECTION 10. Section 40‑39‑70 of the 1976 Code is amended to read:

“Section 40‑39‑70. (A) ~~Every~~ A pawnbroker shall keep a record, at the time of any loan or purchase, containing an account and description of the goods, articles, or things pawned, pledged, or purchased, the amount of money loaned thereon, the time of pledging them, the charges, or the rate of interest to be paid on the loan, and the name and residence of the person selling, pawning, or pledging the goods, articles, or things.

(B) A pawnbroker shall, before a pledge or purchase, verify the identity of the pledgor or seller, as the case may be, by requesting and reviewing a photographic identification card issued by a state or the United States government, a passport, or a military identification card issued by the United States government.

(C) A pawn transaction and a purchase transaction must be performed by the owner of the property, or his authorized agent, whose identity must be verified by the pawnbroker.”

SECTION 11. Section 40‑39‑80 of the 1976 Code is amended to read:

“Section 40‑39‑80. (A) ~~Every~~ A pawnbroker at the time of ~~each~~ a loan shall deliver to the person pawning or pledging ~~any articles~~ an article, at no charge, a memorandum signed by the pawnbroker and the person pawning or pledging ~~any articles~~ the article containing the substance of the entry required by Section 40‑39‑70. If the memorandum is lost, the pledgor may receive a duplicate upon payment of a fee not exceeding three dollars. The administrator may prescribe the form to be used.

(B) The pawn ticket for a pledge or purchase transaction must contain all the information required below and satisfy the requirements of the Truth in Lending Act and Regulation Z, and contain at a minimum the following additional information, as applicable:

(1) an identification of whether the transaction is a pawn or purchase;

(2) the name and address of the pledgor or seller;

(3) the date of birth of the pledgor or seller;

(4) the driver’s license number or other state or federal government‑issued photographic identification number of the pledgor or seller;

(5) the date of the transaction;

(6) the maturity date of the transaction;

(7) the amount financed or purchase price;

(8) the finance charge;

(9) the total of payments;

(10) the annual percentage rate (APR);

(11) a statement of the pledgor or seller that the pledgor or seller is the lawful owner of the pledged or sold property, which the pledgor or seller must sign after providing positive identification of the pledgor or seller to the pawnbroker, who must confirm the identity;

(12) the name and business address of the pawnbroker;

(13) a complete and accurate description of the pledged or purchased goods, including the following information, if applicable:

(a) brand name;

(b) model number;

(c) manufacturers serial number, if issued by the manufacturer and not intentionally defaced, altered or removed;

(d) size;

(e) color, as apparent to the untrained eye, not applicable to diamonds;

(f) precious metals type, weight, and content, if known or indicated;

(g) gemstone color and shape, as apparent to the untrained eye, and number of stones;

(h) in the case of firearms, the type of action, caliber or gauge, number of barrels, barrel length and finish; and

(i) any other unique markings, numbers, names, or letters.

(14) notwithstanding the provisions of item (13), in the case of multiple items of a similar nature delivered together in one transaction which do not bear serial or model numbers and which do not include precious metals or gemstones, such as musical or video recordings, books, and hand tools, the description of the items is adequate if it contains the quantity of items and a description of the type of items delivered.”

SECTION 12. Section 40‑39‑100 of the 1976 Code is amended to read:

“Section 40‑39‑100. (A) Pawnbrokers may charge interest on loans not exceeding the following amounts:

(1) at the rate of two dollars and fifty cents per thirty‑day period for each ten dollars loaned for the first fifty dollars loaned;

(2) at the rate of two dollars per thirty‑day period for each ten dollars loaned on that portion of the loan exceeding fifty dollars but not exceeding one hundred dollars;

(3) at the rate of one dollar and fifty cents per thirty‑day period for each ten dollars loaned on that portion of the loan exceeding one hundred dollars but not exceeding two hundred dollars;

(4) at the rate of one dollar per thirty‑day period for each ten dollars loaned on that portion of the loan exceeding two hundred dollars but not exceeding one thousand dollars;

(5) at the rate of fifty cents per thirty‑day period for each ten dollars loaned on that portion of the loan exceeding one thousand dollars but not exceeding ~~two thousand dollars~~ the maximum amount in subsection (C).

(B) ~~No~~ A pawnbroker may not separate or divide a pawn transaction into two or more transactions for the purpose or with the effect of obtaining a total pawn interest rate in excess of that authorized for an amount financed equal to the total of the amounts financed in the resulting transactions.

(C) ~~No~~ A pawnbroker may not make a loan in excess of ~~two~~ twenty‑five thousand dollars. Every pawnbroker shall post ~~these~~ the rates in a form ~~which is~~ prescribed by the administrator. The following statement must be included in the posted rate schedule:

‘Consumers: All pawnbrokers operating in South Carolina are required by law to post a schedule showing the maximum rate of LOAN FINANCE CHARGES stated as dollars for each ten dollars for each thirty‑day period that the pawnbroker intends to charge for various types of pawn transactions. The purpose of this requirement is to assist you in comparing the maximum rates that pawnbrokers charge, thereby furthering your understanding of the terms of pawn transactions and helping you to avoid the uninformed use of credit.

NOTE: Pawnbrokers are prohibited only from granting credit at rates higher than those specified above. A pawnbroker may be willing to grant you credit at rates that are lower than those specified, depending on the amount, terms, collateral, and your credit worthiness.’”

SECTION 13. Section 40‑39‑120 of the 1976 Code is amended to read:

“Section 40‑39‑120. (A) Each pawnbroker applying for a certificate of authority shall tender to the department a fee of two hundred seventy‑five dollars plus all other applicable fees required by other agencies to process the application. The administrator may revoke any certificate of authority if the pawnbroker has violated this chapter or any regulation or order lawfully made pursuant to this chapter, or if facts or conditions exist which would clearly have justified the administrator in refusing to grant a certificate of authority had these facts or conditions been known to exist at the time the application for certificate of authority was made. The administrator may promulgate regulations for obtaining and revoking the certificate of authority. Certificates of authority must be renewed on a yearly basis. Applications for renewal must be accompanied by a renewal fee of two hundred seventy‑five dollars.

(B) If a pawnbroker fails to:

(1) renew his certificate of authority before June thirtieth, he must be assessed an amount in addition to the renewal in subsection (A);

(2) renew his certificate of authority within thirty days after the date the certificate of authority expires or otherwise maintain a valid certificate of authority, the administrator shall require the pawnbroker to comply with the requirements for the initial issuance of a certificate of authority pursuant to this chapter, in addition to any assessment that has accrued.

(C) In the event of closure as a result of surrender or revocation of a certificate of authority, a pawnbroker for the sole purpose of allowing a pledgor to redeem pledged goods, shall maintain usual business hours at the pawnshop for ninety days after the latest maturity date of any pawn transaction made at that pawnshop or transfer pledged goods to a pawnbroker with a valid certificate of authority to allow a pledgor to redeem pledged goods.”

SECTION 14. Section 40‑39‑140 of the 1976 Code is amended to read:

“Section 40‑39‑140. (A) ~~No~~ A pawnbroker shall not accept property from a pledgor or seller upon which there is evidence of ownership by a third party without first taking reasonable steps to ascertain its true ownership. Any such item accepted for pawn or purchased by a pawnbroker must be returned on demand without fee to the third party owner.

(B)(1) If property in the possession of a pawnbroker was leased to a pledgor or seller when the pledgor or seller pledged or sold the property to the pawnbroker, but the property did not have a permanent label or other conspicuous mark identifying it as the lessor’s property, the pawnbroker shall return the property to the lessor if the lessor:

(a) provides the pawnbroker with evidence that the property was the lessor’s property and was leased to the pledgor or seller at the time the property was pledged or sold to the pawnbroker; and

(b) pays the pawnbroker:

(i) the amount financed and the finance fee for the pawn transaction, if the property was pledged to the pawnbroker; or

(ii) the amount that the pawnbroker paid the seller if the property was sold to the pawnbroker.

(2) A pawnbroker is not liable to the pledgor or seller of property that is recovered by a lessor under subsection (B)(1) for returning the property to a lessor.”

SECTION 15. Section 40‑39‑150 of the 1976 Code is amended to read:

“Section 40‑39‑150. (A) Upon finding that an action of a pawnbroker is in violation of the provisions of this chapter or of a law or regulation of this State or of the federal government or an agency of the state or federal government, the administrator may ~~file a request with the Administrative Law Court for a contested case hearing in which the administrator may seek~~ issue an order requiring the pawnbroker to cease and desist from the action and may suspend, revoke, or refuse to issue a certificate of authority by the builder.

(B) The ~~administrative law judge~~ administrator also may ~~impose administrative fines~~ issue an administrative order imposing administrative penalties of up to seven hundred fifty dollars for each offense upon persons violating any of the provisions of this chapter up to a maximum of fifteen thousand dollars for the same set of transactions or occurrences. Each violation constitutes a separate offense. In addition, a person violating the provisions of Sections 40‑39‑20 and 40‑39‑30 is guilty of a misdemeanor and, upon conviction, must be punished by a fine not exceeding one thousand dollars or by imprisonment for a term not exceeding sixty days, or both. ~~The administrative law judge may revoke or suspend a pawnbroker’s certificate of authority in addition to the penalties provided in this section.~~”

SECTION 16. This act takes effect upon approval by the Governor.

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