

FIRST REGULAR SESSION

HOUSE BILL NO. 710

93RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES FAITH (Sponsor) AND BEARDEN (Co-sponsor).

Read 1st time March 3, 2005 and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

1992L.011

AN ACT

To repeal section 367.031, RSMo, and to enact in lieu thereof one new section relating to pawnbrokers, with a penalty provision.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 367.031, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 367.031, to read as follows:

367.031. 1. At the time of making any secured personal credit loan, the lender shall execute and deliver to the borrower a receipt for and describing the tangible personal property subjected to the security interest to secure the payment of the loan. The receipt shall contain the following:

- (1) The name and address of the pawnshop;
- (2) The name and address of the pledgor, the pledgor's description, and the driver's license number, military identification number, identification certificate number, or other official number capable of identifying the pledgor;
- (3) The date of the transaction;
- (4) An identification and description of the pledged goods, including serial numbers if reasonably available;
- (5) The amount of cash advanced or credit extended to the pledgor;
- (6) The amount of the pawn service charge;
- (7) The total amount which must be paid to redeem the pledged goods on the maturity date;
- (8) The maturity date of the pawn transaction; and

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 (9) A statement to the effect that the pledgor is not obligated to redeem the pledged
18 goods, and that the pledged goods may be forfeited to the pawnbroker sixty days after the
19 specified maturity date.

20 2. The pawnbroker may be required, in accordance with local ordinances, to furnish
21 appropriate law enforcement authorities with copies of information contained in subdivisions (1)
22 to (4) of subsection 1 of this section and information contained in subdivision (6) of subsection
23 4 of section 367.040. The pawnbroker may satisfy such requirements by transmitting such
24 information electronically to a database in accordance with this section, except that paper copies
25 shall be made available for an on-site inspection upon request of any appropriate law
26 enforcement authority.

27 3. As used in this section, the following terms mean:

28 (1) "Database", a computer database established and maintained by a third party engaged
29 in the business of establishing and maintaining one or more databases;

30 (2) "Permitted user", persons authorized by law enforcement personnel to access the
31 database;

32 (3) "Reportable data", the information required to be recorded by pawnbrokers for pawn
33 transactions pursuant to subdivisions (1) to (4) of subsection 1 of this section and the information
34 required to be recorded by pawnbrokers for purchase transactions pursuant to subdivision (6) of
35 subsection 4 of section 367.040;

36 (4) "Reporting pawnbroker", a pawnbroker who chooses to transmit reportable data
37 electronically to the database;

38 (5) "Search", the accessing of a single database record.

39 4. The database shall provide appropriate law enforcement officials with the information
40 contained in subdivisions (1) to (4) of subsection 1 of this section and other useful information
41 to facilitate the investigation of alleged property crimes while protecting the privacy rights of
42 pawnbrokers and pawnshop customers with regard to their transactions.

43 5. The database shall contain the pawn and purchase transaction information recorded
44 by reporting pawnbrokers pursuant to this section and section 367.040 and shall be updated as
45 requested. The database shall also contain such security features and protections as may be
46 necessary to ensure that the reportable data maintained in the database can only be accessed by
47 permitted users in accordance with the provisions of this section.

48 6. The third party's charge for the database shall be based on the number of permitted
49 users. Law enforcement agencies shall be charged directly for access to the database, and the
50 charge shall be reasonable in relation to the costs of the third party in establishing and
51 maintaining the database. No reporting pawnbroker or customer of a reporting pawnbroker shall
52 be charged any costs for the creation or utilization of the database.

53 7. (1) The information in the database shall only be accessible through the Internet to
54 permitted users who have provided a secure identification or access code to the database but shall
55 allow such permitted users to access database information from any jurisdiction transmitting
56 such information to that database. Such permitted users shall provide the database with an
57 identifier number of a criminal action for which the identity of the pawn or purchase transaction
58 customer is needed and a representation that the information is connected to an inquiry or to the
59 investigation of a complaint or alleged crime involving goods delivered by that customer in that
60 transaction. The database shall record, for each search, the identity of the permitted user, the
61 pawn or purchase transaction involved in the search, and the identity of any customer accessed
62 through the search. Each search record shall be made available to other permitted users
63 regardless of their jurisdiction. The database shall enable reporting pawnbrokers to transmit to
64 the database through the Internet reportable data for each pawn and purchase transaction.

65 (2) Any person who gains access to information in the database through fraud or false
66 pretenses shall be guilty of a class C felony.

67 8. Any pawnbroker licensed [after August 28, 2002,] **under section 367.043** shall meet
68 the following requirements:

69 (1) Provide all reportable data to appropriate users by transmitting it through the Internet
70 to the database;

71 (2) Transmit all reportable data for one business day to the database prior to the end of
72 the following business day;

73 (3) Make available for on-site inspection to any appropriate law enforcement official,
74 upon request, paper copies of any pawn or purchase transaction documents.

75 9. If a reporting pawnbroker or permitted user discovers any error in the reportable data,
76 notice of such error shall be given to the database, which shall have a period of thirty days in
77 which to correct the error. Any reporting pawnbroker experiencing a computer malfunction
78 preventing the transmission of reportable data or receipt of search requests shall be allowed a
79 period of at least thirty but no more than sixty days to repair such malfunction, and during such
80 period such pawnbroker shall not be deemed to be in violation of this section if good faith efforts
81 are made to correct the malfunction. During the periods specified in this subsection, the
82 reporting pawnbroker and permitted user shall arrange an alternative method or methods by
83 which the reportable data shall be made available.

84 10. No reporting pawnbroker shall be obligated to incur any cost, other than Internet
85 service costs, in preparing, converting, or delivering its reportable data to the database.

86 11. If the pawn ticket is lost, destroyed, or stolen, the pledgor may so notify the
87 pawnbroker in writing, and receipt of such notice shall invalidate such pawn ticket, if the pledged
88 goods have not previously been redeemed. Before delivering the pledged goods or issuing a new

89 pawn ticket, the pawnbroker shall require the pledgor to make a written affidavit of the loss,
90 destruction or theft of the ticket. The pawnbroker shall record on the written statement the
91 identifying information required, the date the statement is given, and the number of the pawn
92 ticket lost, destroyed, or stolen. The affidavit shall be signed by a notary public appointed by the
93 secretary of state pursuant to section 486.205, RSMo, to perform notarial acts in this state.