



LAWS OF ALASKA

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Chapter No.

AN ACT

Relating to the registration and operation of pawnbrokers, to the exemption for pawnbrokers under the Alaska Small Loans Act, and to the exclusion of pawnbrokers under certain definitions in the Uniform Commercial Code; and providing for an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

THE ACT FOLLOWS ON PAGE 1

AN ACT

1 Relating to the registration and operation of pawnbrokers, to the exemption for pawnbrokers
2 under the Alaska Small Loans Act, and to the exclusion of pawnbrokers under certain
3 definitions in the Uniform Commercial Code; and providing for an effective date.

4
5 * **Section 1.** AS 06.20.330(b) is amended to read:

6 (b) This chapter does not apply to individual loans by

7 (1) pawnbrokers **where separate and individual loans do not exceed**
8 **\$750; in this paragraph, "pawnbroker" means a person who is regulated under**
9 **AS 08.76.100 - 08.76.590;** or

10 (2) loan shops where separate and individual loans do not exceed \$500.

11 * **Sec. 2.** AS 08.01.010 is amended by adding a new paragraph to read:

12 (39) regulation of pawnbrokers (AS 08.76.100 - 08.76.590).

13 * **Sec. 3.** AS 08.76.010(a) is amended to read:

(a) A person engaged in the business of buying and selling secondhand articles, [OR LENDING MONEY ON SECONDHAND ARTICLES,] except a bank **or a person regulated by AS 08.76.100 - 08.76.590**, shall maintain a book, in permanent form, in which the person shall enter in legible English at the time of each [LOAN,] purchase [,] or sale

(1) the date of the transaction;

(2) the name of the person conducting the transaction;

(3) the name, age, and address of the customer;

(4) a description of the property bought [OR RECEIVED IN PLEDGE], which includes, for any firearm, watch, camera, or optical equipment bought [OR RECEIVED IN PLEDGE], the name of the maker, the serial, model, or other number, and all letters and marks inscribed;

(5) the price paid [OR AMOUNT LOANED];

(6) the signature of the customer.

* **Sec. 4.** AS 08.76.020 is amended to read:

Sec. 08.76.020. Manner of recording entry. The entries in the book [AND THE ELECTRONIC RECORD] required by AS 08.76.010 shall appear in chronological order [AND, WHEN MADE IN A BOOK,] in ink or indelible pencil. Blank lines may not be left between entries. Obliterations, alterations, or erasures may not be made. Corrections shall be made by drawing a line through the entry without destroying its legibility, and [, WHEN MADE IN A BOOK,] the line shall be drawn in ink. The book shall be open to the inspection of a peace officer at reasonable times.

* **Sec. 5.** AS 08.76 is amended by adding new sections to read:

Article 2. Licensing and Regulation of Pawnbrokers.

Sec. 08.76.100. Licensing required. (a) A person may not engage in business as a pawnbroker without holding a license issued by the department.

(b) A license is not transferable or assignable.

Sec. 08.76.110. Requirements for license. The department may issue a license to a person if the person

(1) has good character;

(2) has the experience to engage in business as a pawnbroker;

- 1 (3) is fit to engage in business as a pawnbroker;
2 (4) submits an application as required by the department under
3 AS 08.01.060; and
4 (5) pays a fee established by the department under AS 08.01.065.

5 **Sec. 08.76.130. Withdrawal of application.** The department may consider
6 that a person has withdrawn the person's application for a license if

- 7 (1) the application does not contain all of the required information; or
8 (2) the information required for the application is not submitted to the
9 department within 90 days after the department requests in writing that the person
10 provide the department with the information.

11 **Sec. 08.76.140. Duration and renewal of license.** (a) A license is valid for
12 two years.

13 (b) A person may renew a license under AS 08.01.100. The renewal fee must
14 be equal to the fee established under AS 08.76.110(5).

15 (c) Notwithstanding AS 08.01.100(b), if a person fails to renew a license
16 before the expiration date of the license, the person shall pay the department a delayed
17 renewal penalty of \$100 in addition to the regular renewal fee.

18 (d) If a person fails to renew the person's license, the person may not engage
19 in business as a pawnbroker until the person's license is renewed or a new license is
20 issued.

21 (e) The department may refuse to renew a license under this section for
22 reasons that would have prevented the issuance of the license to the person under
23 AS 08.76.110.

24 **Sec. 08.76.160. Limit on pawn transaction amount.** A licensee may not enter
25 into a pawn transaction that exceeds \$750, excluding the finance fee and any fees
26 charged under AS 08.76.220.

27 **Sec. 08.76.170. Customer and transaction limitations.** (a) A pawnbroker
28 may not knowingly enter into a pawnbroker transaction with a person who is

- 29 (1) under 18 years of age;
30 (2) under the influence of alcohol or a controlled substance when the
31 influence is apparent; or

1 (3) using the name of another person.

2 (b) A pawnbroker may not knowingly accept or receive misappropriated
3 property from a person in a pawnbroker transaction.

4 **Sec. 08.76.180. Register of pawnbroker transactions.** (a) A pawnbroker
5 shall maintain a register in which the pawnbroker shall enter in legible English at the
6 time of each pawnbroker transaction

- 7 (1) the date of the pawnbroker transaction;
8 (2) the name of the person conducting the pawnbroker transaction;
9 (3) the name, age, and address of the pledgor or purchaser;
10 (4) a description of the pledged property or purchased property,
11 including the serial number, model number, or other number on the item of property;
12 (5) the price paid or amount loaned;
13 (6) the signature of the pledgor or seller; and
14 (7) the type of identification used by the pledgor or seller, the name of
15 the government agency that issued the identification, and the number written on the
16 identification.

17 (b) A register may be contained in a book or in an electronic format, except
18 that, subject to (c) of this section, the register for pawn transactions must be in an
19 electronic format.

20 (c) If, on the effective date of this section, a pawnbroker is located in a
21 municipality that has a population of 6,000 or fewer individuals, the pawnbroker's
22 register for pawn transactions may be contained in a book.

23 (d) A pawnbroker may not falsify or intentionally fail to make an entry of a
24 material matter in a register.

25 (e) A pawnbroker shall maintain in good condition the record in the register of
26 a completed pawnbroker transaction for one year after the completion of the
27 pawnbroker transaction.

28 **Sec. 08.76.190. Recording requirements.** The records required to be
29 maintained in a register by AS 08.76.180 must appear in chronological order and, if
30 made in a book, in ink or indelible pencil. Blank lines may not be left between entries.
31 A pawnbroker may not change a record in a register by obliteration, alteration, or

1 erasure. A pawnbroker may correct a record in a register by drawing a line through the
2 entry without destroying its legibility.

3 **Sec. 08.76.200. Transaction agreement.** A pawnbroker shall provide to a
4 pledgor or seller a copy of the transaction agreement between the pawnbroker and the
5 pledgor or seller. The agreement must clearly and conspicuously disclose

6 (1) the name and address of the pawnbroker and the name and mailing
7 address of the pledgor or seller;

8 (2) the date of the transaction;

9 (3) a description of the item sold or pledged;

10 (4) the amount of each fee charged under AS 08.76.210 and 08.76.220;

11 (5) if the transaction is a pawn transaction, the amount financed and
12 the maturity date; and

13 (6) if the transaction is a purchase by the pawnbroker, the amount of
14 the purchase price.

15 **Sec. 08.76.210. Finance fee.** (a) Except as provided in AS 08.76.280, for each
16 30-day period of a pawn transaction, including a grace period, a pawnbroker may
17 charge a pledgor a finance fee of \$5 or an amount that equals interest at a rate that
18 does not exceed 20 percent of the amount financed, whichever amount is greater.

19 (b) A finance fee is considered to be earned on the day that the pawn
20 transaction is entered into and on the first day of each subsequent 30-day period of the
21 pawn transaction.

22 **Sec. 08.76.220. Other charges allowed.** (a) Except as provided in
23 AS 08.76.280, a pawnbroker may charge a processing fee of not more than \$5 for each
24 pawn transaction for preparing and processing the pawn transaction documentation,
25 for providing law enforcement reports, for paying expenses, for providing other
26 services, and for losses.

27 (b) A pawnbroker may charge a pledgor who places a firearm with the
28 pawnbroker as pledged property

29 (1) a firearm processing fee of not more than \$5; and

30 (2) a governmental fee.

31 **Sec. 08.76.230. Insurance.** A pawnbroker may not sell to a pledgor or

1 otherwise charge a pledgor for insurance in connection with a pawn transaction,
2 except to cover the shipment of pledged property that is redeemed by mail.

3 **Sec. 08.76.240. Return of pledged property.** A pawnbroker shall return
4 pledged property to a pledgor when the pledgor redeems the pledged property. The
5 pawnbroker shall provide the pledgor with a receipt showing the redemption. The
6 receipt must be on a form approved by the department.

7 **Sec. 08.76.250. Extension of grace period.** A pawnbroker and a pledgor may
8 agree to extend the 30-day grace period allowed under AS 08.76.270(b), but each
9 extension may not exceed 30 days. An extension must be in writing, and the
10 pawnbroker shall give the pledgor a copy of the extension agreement. The agreement
11 must clearly state the last day of the extension and the finance fee charged for the
12 extension.

13 **Sec. 08.76.260. Retention, storage, and lease.** A pawnbroker shall store
14 pledged property in a secure area and maintain the pledged property in an unaltered
15 condition. A pawnbroker may not lease pledged property.

16 **Sec. 08.76.270. Redemption.** (a) Unless there is a hold order on the pledged
17 property, the pledged property is subject to a claim under AS 08.76.370 or 08.76.380,
18 or the property is returned to a lessor under AS 08.76.400, a pledgor may redeem
19 pledged property by paying the amount financed and the finance fee in full before the
20 pawnbroker's scheduled closing time on the maturity date.

21 (b) If a pledgor does not pay the amount financed and the finance fee in full
22 before the pawnbroker's scheduled closing time on the maturity date, the pawnbroker
23 shall hold the pledged property on the pawnbroker's business premises for a grace
24 period of 30 days plus any extension allowed under AS 08.76.250. A pledgor may
25 redeem the pledged property during the actual grace period by paying the amount
26 financed and the finance fee, but a pledgor may not redeem pledged property after the
27 pawnbroker's scheduled closing time on the last day of the actual grace period. In this
28 subsection, "actual grace period" means the grace period plus any extension allowed
29 under AS 08.76.250.

30 (c) If there is a hold order on pledged property, the pledgor may redeem the
31 pledged property only when the hold order is released.

1 (d) If pledged property is subject to a claim under AS 08.76.370 or 08.76.380,
2 the pledgor may redeem the pledged property only when the pledged property
3 becomes available under AS 08.76.370 or 08.76.380 for redemption.

4 (e) If a pledgor does not redeem pledged property under (a) - (d) of this
5 section, the title and all interest in the pledged property transfer to the pawnbroker.

6 (f) The holder of a transaction agreement is presumed to be the person who is
7 entitled to redeem the pledged property that is the subject of the transaction
8 agreement, and a pawnbroker shall deliver the pledged property to the person who
9 presents the transaction agreement and pays the amount financed and the finance fee
10 for the pawn transaction.

11 **Sec. 08.76.280. Military personnel.** A pawnbroker shall waive the unpaid
12 amount financed and the finance fee due on a pawn transaction and hold, except as
13 provided in AS 08.76.320 - 08.76.380, the pledged property that is the subject of the
14 pawn transaction on the pawnbroker's business premises until 60 days after the
15 pledgor, the pledgor's spouse, or the pledgor's dependent returns to the United States,
16 if the pawnbroker receives a copy of military orders indicating that

17 (1) the pledgor, or the pledgor's spouse or dependent, is enlisted in the
18 military service of a state or the federal government; and

19 (2) after the pawn transaction was entered into, the person was or is to
20 be deployed abroad for service relating to a military conflict.

21 **Sec. 08.76.290. Business operation method and hours.** A pawnbroker may
22 not engage in the business of being a pawnbroker

23 (1) by using a method, including a drive-through window, in which a
24 person remains in a motor vehicle while conducting the pawnbroker transaction; or

25 (2) between the hours of 12 midnight and 6:00 a.m.

26 **Sec. 08.76.300. Waiver prohibited.** A pawnbroker may not require or allow a
27 person to waive a provision of AS 08.76.100 - 08.76.590.

28 **Sec. 08.76.310. Employees.** A pawnbroker may not knowingly employ a
29 person to work in a pawnshop if, within five years before the employment begins, the
30 person was convicted of, entered a plea of guilty to, entered a plea of no contest to, or
31 had adjudication withheld for a felony or for a misdemeanor involving dishonesty.

1 **Sec. 08.76.320. Issuance of police hold order.** (a) When a law enforcement
2 officer has probable cause to believe that property in the possession of a pawnbroker
3 at a pawnshop in the law enforcement officer's jurisdiction has been misappropriated,
4 the law enforcement officer may issue a police hold order that directs the pawnbroker
5 not to release or dispose of the property until the police hold order terminates or a
6 court orders the release or disposal.

7 (b) Unless a pawnbroker or the pawnbroker's designee refuses to sign the
8 police hold order, a police hold order begins when the pawnbroker or the pawnbroker's
9 designee receives the police hold order. If the pawnbroker or the pawnbroker's
10 designee refuses to sign the police hold order, the police hold order begins when the
11 refusal occurs.

12 **Sec. 08.76.330. Evidentiary hold order.** (a) When property in the possession
13 of the pawnbroker may be needed as evidence in a filed court action involving a
14 criminal charge, a law enforcement agency may issue an evidentiary hold order to a
15 pawnbroker that directs the pawnbroker not to release or dispose of the property until
16 the evidentiary hold order terminates or a court orders the release or disposal.

17 (b) A pawnbroker who receives an evidentiary hold order under (a) of this
18 section shall hold the property until the attorney general notifies the pawnbroker in
19 writing of the disposition of the filed court action. The attorney general shall notify the
20 pawnbroker within 15 days after the disposition of the filed court action for which the
21 property may be needed as evidence.

22 **Sec. 08.76.340. Contents and form of hold order.** A hold order must be in
23 writing and contain

- 24 (1) the name of the pawnbroker;
- 25 (2) if a police hold order, the name, title, and identification number of
26 the law enforcement officer issuing the police hold order, and the name and address of
27 the law enforcement agency for which the law enforcement officer is acting;
- 28 (3) if an evidentiary hold order, the name and address of the law
29 enforcement agency issuing the evidentiary hold order;
- 30 (4) the number, if any, assigned by the law enforcement agency to the
31 case, and, for an evidentiary hold order, the number and caption of the filed court

1 action;

2 (5) a complete description of the property being held, including the
3 model number and serial number, if any;

4 (6) if a police hold order, the name of the person, if any, who reported
5 the property as misappropriated;

6 (7) the mailing address of the pawnshop where the property is being
7 held; and

8 (8) the expiration date of the hold order.

9 **Sec. 08.76.350. Duration of police hold order.** (a) A police hold order may
10 not exceed 30 days. However, a law enforcement officer may extend the police hold
11 order for two additional successive 30-day periods by giving written notification to the
12 pawnbroker before the expiration of each 30-day period.

13 (b) A law enforcement agency may not issue a new police hold order for the
14 same property after the second additional 30-day period allowed under this section.
15 However, the termination of the police hold order does not affect an existing
16 evidentiary hold order on the same property or prevent the issuance of an evidentiary
17 hold order for the same property.

18 (c) A law enforcement agency may release a police hold order before the end
19 of a 30-day period by issuing a written release to the pawnbroker.

20 **Sec. 08.76.360. Noncompliance with hold order.** The department may
21 suspend or revoke a pawnbroker's license if the pawnbroker knowingly fails to comply
22 with a hold order.

23 **Sec. 08.76.370. Claim notification.** (a) If a person believes that property in the
24 possession of a pawnbroker was misappropriated from the person, and if the person
25 wants to obtain possession of the property from the pawnbroker, the person shall first
26 notify the pawnbroker by certified mail, return receipt requested, of the person's claim.

27 (b) A notice under (a) of this section must contain a complete and accurate
28 description of the property and must be accompanied by proof that the claimant owns
29 the property and, if the claimant alleges that the property was stolen, a legible copy of
30 a law enforcement agency's report indicating that the property was stolen.

31 (c) Except as provided in AS 08.76.380, a pawnbroker may not, for 30 days

1 after the pawnbroker receives notice of the claim under this section, dispose of
2 property that is the subject of a claim.

3 **Sec. 08.76.380. Court action on claim.** If a claimant and a pawnbroker do not
4 resolve a claim within 10 days after the pawnbroker's receipt of a notice of the claim
5 under AS 08.76.370, the claimant may bring an action in superior court to require the
6 pawnbroker to return the property to the claimant. After a pawnbroker is notified that a
7 court action has been filed, the pawnbroker may not dispose of the property until the
8 court disposes of the court action, disposes of the property, or allows the pawnbroker
9 to dispose of the property.

10 **Sec. 08.76.390. Liability of pledgor.** A pledgor or seller of property to a
11 pawnbroker is liable to the pawnbroker for the full amount that the pledgor or seller
12 received from the pawnbroker, all charges owed by the pledgor for the pawnbroker
13 transaction, and attorney fees and other costs as allowed by the rules of court if, in an
14 action under AS 08.76.380,

15 (1) the superior court determines that the pledgor or seller
16 misappropriated the property from the claimant; and

17 (2) the superior court orders the pawnbroker to return the property to
18 the claimant.

19 **Sec. 08.76.400. Recovery of leased property.** (a) If property in the possession
20 of a pawnbroker was leased to a pledgor or seller when the pledgor or seller pledged
21 or sold the property to the pawnbroker, but the property did not have a permanent
22 label or other conspicuous mark identifying it as the lessor's property, the pawnbroker
23 shall return the property to the lessor if the lessor

24 (1) provides the pawnbroker with evidence that the property was the
25 lessor's property and was leased to the pledgor or seller at the time the property was
26 pledged or sold to the pawnbroker; and

27 (2) pays the pawnbroker

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

30 (B) the amount that the pawnbroker paid the seller if the
31 property was sold to the pawnbroker.

1 (b) A pawnbroker is not liable to the pledgor or seller of property that is
2 recovered by a lessor under (a) of this section for returning the property to a lessor
3 under (a) of this section.

4 **Sec. 08.76.410. Law enforcement reports.** (a) A pawnbroker shall provide a
5 law enforcement officer with a law enforcement report in paper or in an electronic
6 format on a weekly basis.

7 (b) A law enforcement report is confidential under AS 40.25.100 - 40.25.220,
8 and a law enforcement officer and a law enforcement agency may only use a law
9 enforcement report to investigate a crime involving the property that is the subject of
10 the pawnbroker transactions of the pawnbroker.

11 **Sec. 08.76.420. Contents of law enforcement reports.** (a) A law enforcement
12 report must contain

13 (1) a complete and accurate description of all property pledged to or
14 purchased by the pawnbroker, including, as applicable, the property's

15 (A) brand name, model number, and manufacturer's serial
16 number; and

17 (B) type of action and caliber or gauge, if the property is a
18 firearm; and

19 (2) the number of the pawnbroker transaction document that the
20 pawnbroker used to document the pawnbroker transaction.

21 (b) Notwithstanding (a) of this section, the description of the items under
22 (a)(1) of this section is adequate if the description gives the quantity of the items and
23 describes the type of the items if the pawnbroker transaction consists solely of
24 multiple items that are of a similar type, do not have serial or model numbers, and do
25 not contain precious metals or gemstones.

26 **Sec. 08.76.430. Inspection by law enforcement entities.** If a law enforcement
27 agency provides the case number assigned to the investigation for which the
28 inspection is being made, a pawnbroker may not refuse to allow the law enforcement
29 agency to inspect during normal business hours the pawnbroker's register and the
30 purchased property involved in the investigation or the unredeemed pledged property
31 involved in the investigation.

1 **Sec. 08.76.440. Discipline.** (a) The department may, after notice to the licensee
2 and reasonable opportunity to be heard, take the following disciplinary action against a
3 licensee if the licensee or an officer, agent, or employee of the licensee violates
4 AS 08.76.100 - 08.76.590:

- 5 (1) permanently revoke a license;
6 (2) suspend a license for a specified period;
7 (3) censure or reprimand a licensee;
8 (4) impose limitations or conditions on the licensee;
9 (5) impose probation requiring a licensee to report regularly to the
10 department on matters related to the grounds for probation;
11 (6) order the licensee to make restitution.

12 (b) If the department takes disciplinary action under (a) of this section, the
13 department may not, for one year after the date of the disciplinary action, issue another
14 license to the licensee or a license to

- 15 (1) the spouse of the licensee;
16 (2) a partnership if the licensee is a partner of the partnership;
17 (3) a corporation if the licensee is an officer of the corporation,
18 including a member of the board of directors of the corporation;
19 (4) a limited liability company if the licensee is a member or manager
20 of the limited liability company; or
21 (5) an employee of the licensee.

22 (c) Before taking disciplinary action under (a) of this section, the department
23 shall allow a licensee 30 days to correct the violation.

24 **Sec. 08.76.450. Civil penalty.** If a licensee, or an officer, agent, or employee
25 of a licensee violates AS 08.76.100 - 08.76.590, the licensee is liable to the state for a
26 civil penalty. Notwithstanding AS 08.01.075(a)(8), the penalty may not be less than
27 \$200 or more than \$2,000. The amount of the civil penalty must be adjusted to the
28 seriousness of the violation.

29 **Sec. 08.76.460. Municipal regulation.** (a) Subject to (b) of this section, a
30 municipality with the authority under AS 29 to enact ordinances regulating
31 pawnbrokers and pawnbroker transactions may adopt an ordinance regulating

1 pawnbrokers and pawnbroker transactions if, at a minimum, the ordinance complies
2 with AS 08.76.100 - 08.76.590.

3 (b) A municipality may not enact an ordinance that

4 (1) requires the payment of a fee or tax related to a pawnbroker
5 transaction; or

6 (2) restricts the hours of operation of a pawnbroker, except that an
7 ordinance may prohibit pawnbrokers from operating as provided under
8 AS 08.76.290(2).

9 (c) An ordinance that violates this section is void.

10 **Sec. 08.76.470. Regulations.** (a) The department may adopt regulations to
11 implement AS 08.76.100 - 08.76.590.

12 (b) Before the department adopts a regulation to implement AS 08.76.100 -
13 08.76.590, the department shall, in addition to any other requirements under AS 44.62
14 (Administrative Procedure Act), notify licensees of the proposed regulation. After the
15 regulation is adopted, the department shall send each licensee a copy of the regulation
16 adopted.

17 **Sec. 08.76.500. Exemptions.** This chapter does not apply to

18 (1) a financial institution that is subject to the regulation of the
19 department under AS 06, including a commercial bank, savings bank, credit union,
20 premium finance company, small loan company, bank holding company, financial
21 holding company, trust company, savings and loan association, and deferred deposit
22 advance licensee under AS 06.50; or

23 (2) a financial institution organized under federal law.

24 **Sec. 08.76.590. Definitions.** In AS 08.76.100 - 08.76.590,

25 (1) "amount financed" means the amount of money, excluding a
26 finance fee, charged by a pawnbroker for a pawn transaction;

27 (2) "business" includes advertising;

28 (3) "claim" means a claim under AS 08.76.370;

29 (4) "claimant" means a person who makes a claim;

30 (5) "department" means the Department of Commerce, Community,
31 and Economic Development;

1 (6) "evidentiary hold order" means an evidentiary hold order
2 authorized under AS 08.76.330;

3 (7) "finance fee" means all the amounts that a pawnbroker may charge
4 under AS 08.76.210;

5 (8) "governmental fee" means a fee imposed by a governmental
6 agency on a pawnbroker to hold or transfer a firearm or conduct a background check
7 required by the governmental agency;

8 (9) "grace period" means the 30-day period after a maturity date during
9 which a pawnbroker is required by AS 08.76.270(b) to retain possession of pledged
10 property;

11 (10) "hold order" means a police hold order or an evidentiary hold
12 order;

13 (11) "identification" means

14 (A) a government-issued identification document that contains
15 a photograph; or

16 (B) an electronic image of a document identified under (A) of
17 this paragraph;

18 (12) "knowingly" has the meaning given in AS 11.81.900;

19 (13) "law enforcement agency" means

20 (A) the police department of a municipality where a pawnshop
21 is located;

22 (B) the Department of Law;

23 (C) the Department of Public Safety;

24 (14) "law enforcement officer" means

25 (A) a police officer of the municipality where a pawnshop is
26 located; or

27 (B) a state trooper if a pawnshop is located in the unorganized
28 borough or if a pawnshop is located in a municipality that does not provide
29 police protection services;

30 (15) "law enforcement report" means a report required by
31 AS 08.76.410;

1 (16) "lease" means any form of rental;
2 (17) "license" means a license to engage in business as a pawnbroker
3 issued under AS 08.76.110;
4 (18) "licensee" means a person who holds a license;
5 (19) "maturity date" means the date by which a pledgor is required to
6 pay a pawnbroker the amount financed and the finance fee for a pawn transaction, but
7 does not include a grace period;
8 (20) "misappropriated" means pledged or sold to a pawnbroker
9 (A) after being stolen; or
10 (B) while being leased to the pledgor or seller by another
11 person if the property has a permanent label or other conspicuous mark
12 identifying it as another person's property;
13 (21) "pawnbroker" means a person who lends money in exchange for a
14 pledge of property;
15 (22) "pawnbroker transaction" means a pawn transaction or purchase;
16 (23) "pawn transaction" means a pledge given in exchange for a loan
17 by a pawnbroker;
18 (24) "personal property" means tangible personal property, but does
19 not include a security, a title to property, a deed, a bill of sale, or printed evidence of
20 indebtedness;
21 (25) "pledge" means a deposit of property as security for payment of
22 financial obligations to a pawnbroker in a pawn transaction;
23 (26) "pledged property" means the property that is pledged in a pawn
24 transaction;
25 (27) "pledgor" means
26 (A) a person who delivers property to a pawnbroker for a pawn
27 transaction; or
28 (B) the principal, if the person who delivers property to a
29 pawnbroker for a pawn transaction discloses that the delivery person is acting
30 for a principal;
31 (28) "police hold order" means a hold order authorized under

AS 08.76.320;

(29) "property" means personal property;

(30) "purchase" means a purchase of property by a pawnbroker that is not a pawn transaction;

(31) "redeem" means to obtain the return of pledged property under AS 08.76.270;

(32) "register" means the register required to be maintained by AS 08.76.180;

(33) "registration fee" means a fee for registering a firearm;

(34) "seller" means a person who sells property to a pawnbroker, but does not include a pledgor;

(35) "transaction agreement" means the transaction agreement required by AS 08.76.200.

*** Sec. 6.** AS 45.01.211(b) is amended by adding a new paragraph to read:

(47) "pawnbroker" has the meaning given in AS 08.76.590.

*** Sec. 7.** AS 08.76.010(b) and 08.76.040 are repealed.

*** Sec. 8.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: REGULATIONS. The Department of Commerce, Community, and Economic Development may proceed to adopt regulations under AS 08.01.080 and AS 08.76.470, enacted by sec. 5 of this Act, necessary to implement this Act. The regulations take effect under AS 44.62 (Administrative Procedure Act), but not before July 1, 2011.

*** Sec. 9.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: CURRENT MUNICIPAL LICENSEES. (a) Notwithstanding AS 08.76.100, enacted by sec. 5 of this Act, a person who holds a current municipal license on July 1, 2011, may continue to engage in business as a pawnbroker through June 30, 2014, without having a license issued by the Department of Commerce, Community, and Economic Development.

(b) Notwithstanding AS 08.76.110, enacted by sec. 5 of this Act, the department shall issue a license to a person who holds a municipal license if the person

1 (1) submits, before July 1, 2014, an application as required by the department
2 under AS 08.01.060; and

3 (2) pays a fee established by the department under AS 08.01.065.

4 (c) In this section,

5 (1) "license" has the meaning given in AS 08.76.590, enacted by sec. 5 of this
6 Act;

7 (2) "municipal license" means a license that is issued by a municipality to
8 authorize a person to engage in business as a pawnbroker; in this paragraph, "business" has
9 the meaning given in AS 08.76.590, enacted by sec. 5 of this Act;

10 (3) "pawnbroker" has the meaning given in AS 08.76.590, enacted by sec. 5 of
11 this Act.

12 * **Sec. 10.** The uncoded law of the State of Alaska is amended by adding a new section to
13 read:

14 TRANSITION: EXISTING ORDINANCES. An ordinance of a municipality that is in
15 effect on July 1, 2011, and that does not comply with AS 08.76.100 - 08.76.590, enacted by
16 sec. 5 of this Act, is void.

17 * **Sec. 11.** Section 8 of this Act takes effect immediately under AS 01.10.070(c).

18 * **Sec. 12.** Except as provided in sec. 11 of this Act, this Act takes effect July 1, 2011.