

Offered: 2/17/72  
Referred: Commerce

1 IN THE SENATE

BY THE RULES COMMITTEE  
BY REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 352

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to pawnbrokers and secondhand  
7 dealers."

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

9 \* Section 1. AS 08.76 is amended by adding new sections to read:

10 Sec. 08.76.011. LICENSE REQUIRED. No person may engage in the  
11 business of a pawnbroker or in any manner lend or advance money or  
12 other things for profit on the pledge and possession of personal  
13 property or other valuable things, or deal in the purchasing of  
14 personal property or other valuable things on the condition of selling  
15 the same back to the seller at a stipulated price, without first  
16 obtaining a license from the Department of Commerce.

17 Sec. 08.76.021. APPLICATION FOR LICENSE. Application for a  
18 license shall be in writing, under oath, and in the form prescribed by  
19 the Department of Commerce and shall contain the name and the  
20 residence and business address of the applicant, the borough and  
21 municipality with street and number, where the business is to be  
22 conducted, and other information the department may require. At the  
23 time of making application, the applicant shall pay to the department  
24 a \$100 filing fee. The department may refuse to license any pawn-  
25 broking business which does not comply with this chapter. Upon denial  
26 or withdrawal of application, the department shall retain the  
27 filing fee.

28 Sec. 08.76.031. BOND. The applicant shall file with the  
29 application a bond to be approved by the Department of Commerce in

1 which the applicant shall be the obligor, in the sum of \$2,000, with  
2 one or more sureties. The bond shall be for the use of the state and  
3 any person who may have a cause of action against the obligor under  
4 this chapter. The bond shall state that the obligor will faithfully  
5 conform to and abide by the provisions of this chapter and all rules  
6 and regulations lawfully made by the department and will pay to the  
7 state and to any person all money that may become due to the state  
8 or to the person from the applicant under this chapter.

9 Sec. 08.76.041. PLACES OF BUSINESS. (a) A licensee may  
10 maintain only one place of business under his license. The Department  
11 of Commerce may issue more than one license to the same licensee upon  
12 compliance with the provisions of this chapter governing the original  
13 issuance of a license.

14 (b) When a licensee changes his place of business to another  
15 location, he shall immediately give written notice to the department.

16 Sec. 08.76.051. ANNUAL LICENSE AND NEW BOND. On or before  
17 December 20 of each year, every licensee shall pay a fee of \$100 to  
18 the Department of Commerce as an annual license fee for the next  
19 succeeding calendar year. At the same time, the licensee shall file  
20 a new bond which complies with sec. 31 of this chapter.

21 Sec. 08.76.061. MEMORANDUM TO BE GIVEN PLEDGOR. Every pawnbroker  
22 shall at the time of each loan deliver to the person pawning or  
23 pledging any goods, article or thing a memorandum or note signed by  
24 the pawnbroker containing the substance of the entry required to be  
25 made in his books by sec. 101 of this chapter except as to the  
26 description of the person; and no charge shall be made or received by  
27 any pawnbroker for an entry, a memorandum or a note.

28 Sec. 08.76.071. SALE OF GOODS PAWNED. No pawnbroker may sell  
29 any pawn or pledge until the pawn or pledge has remained four months

1 in possession of the pawnbroker except by consent in writing of the  
2 pawn. No pawnbroker may sell any pawn or pledge when the pawnner has  
3 paid the interest due and has requested an extension of the redemption  
4 period. The pawnbroker may limit the extension to four additional  
5 months after the expiration of the initial four months.

6 Sec. 08.76.081. NOTICE OF SALE. Notice of every sale shall be  
7 published for at least five days previous to the sale in one or more  
8 of the daily newspapers of general circulation printed in the city  
9 where the pawnbroker shop is located. The notice shall specify the  
10 time and the place at which the sale is to take place, a description  
11 of the articles to be sold, and the number of the pawnner's ticket.

12 Sec. 08.76.091. MAXIMUM INTEREST PERMITTED. No pawnbroker may  
13 ask, demand, or receive a greater rate of interest than three per cent  
14 per month on a loan of \$25 or less, or 10 per cent per year on a loan  
15 of \$26 or more; and no loan may be divided for the purpose of  
16 increasing the percentage to be paid the pawnbroker.

17 Sec. 08.76.101. BOOKS AND RECORDS OF LICENSEES. (a) Every  
18 pawnbroker shall keep at his place of business a book or books in  
19 which shall be written in English at the time of each loan or trans-  
20 action the following:

- 21 (1) a description of the goods, article or thing pawned or  
22 pledged;  
23 (2) the time of receiving the pawn or pledge;  
24 (3) the amount of money loaned at the time of the pledging;  
25 (4) the rate of interest to be paid on the loan;  
26 (5) the name and residence of the person pawning or  
27 pledging the goods, article or thing, and a particular description of  
28 the person, including complexion, color of eyes and hair, and his or  
29 her height and general appearance;

1 (6) the terms and conditions of the loan, including the  
2 period for which the loan is made; and

3 (7) the signature of the customer.

4 (b) This book or books shall be preserved by the pawnbroker for  
5 not less than two years after making the final entry on any loan or  
6 transaction recorded in the book or books.

7 Sec. 08.76.111. BOOKS AND RECORDS OPEN TO INSPECTION. The books  
8 and records shall at all reasonable times be open to the inspection of  
9 the state police or any officer with police jurisdiction over the  
10 locality where the business is being conducted.

11 Sec. 08.76.121. EXAMINATION OF THE LICENSEES BY THE DEPARTMENT.  
12 The Department of Commerce at the discretion of the commissioner of  
13 commerce may examine or cause to be examined, the books and records  
14 of any licensee.

15 Sec. 08.76.131. REVOCATION OF LICENSE. The Department of  
16 Commerce shall revoke any license issued under this chapter if it finds  
17 that:

18 (1) the licensee has failed to pay the annual license fee or  
19 to maintain the required bond in effect, or has failed to comply with a  
20 ruling or requirement of the department made under the authority of  
21 this chapter;

22 (2) the licensee has violated a provision of this chapter  
23 or a rule or regulation lawfully made by the department under the  
24 authority of this chapter; or

25 (3) any fact or condition exists which would have  
26 prohibited licensing had it existed at the time of original application.

27 Sec. 08.76.141. APPLICABILITY OF THE ADMINISTRATIVE PROCEDURE  
28 ACT. A pawnbroker's license may be revoked only after an administrative  
29 adjudication held in accordance with AS 44.62 and a subsequent  
SB 352

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determination that proper grounds for revocation exist.

Sec. 08.76.151. PENALTY. Any person who violates a provision of this chapter is guilty of a misdemeanor and upon conviction is punishable by a fine of not more than \$500, or by imprisonment for not more than one year, or by both.

\* Sec. 2. AS 08.76.010, AS 08.76.020 and AS 08.76.030 are repealed.