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FILED JAN 28 1987

SENATE FILE 93
BY BRUNER

Passed Senate, Date 3/14/88 (S.F. 93) Passed House, Date _____
Vote: Ayes 47 Nays 0 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the regulation of pawnbrokers on a statewide
2 basis and providing penalties.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SENATE FILE 93

SF 93

S-5330

- 1 Amend Senate File 93 as follows.
- 2 1. Page 3, by striking lines 19 through 21 and
- 3 inserting the following: "Iowa a license fee of one
- 4 hundred dollars."
- 5 2. Page 3, line 23, by striking the word "four".
- 6 3. Page 3, by striking lines 24 through 26 and
- 7 inserting the following: "two hundred dollars."
- 8 4. Page 8, by inserting after line 30 the
- 9 following:
- 10 "Sec. 22. This Act takes effect January 1, 1990."

S-5330

Filed March 11, 1988

BY CHARLES BRUNER

Adopted 3/14/88 (S.F. 93)

1 Section 1. NEW SECTION. 81.1 DEFINITIONS.

2 As used in this chapter, unless the context otherwise
3 requires:

4 1. "Department" means the department of public safety.

5 2. "Iowa stolen property recovery unit" means the
6 organization authorized by the department of public safety, as
7 provided in section 81.2, to carry out duties under this
8 chapter.

9 3. "Itinerant pawnbroker" means a pawnbroker who engages
10 in a temporary or transient business conducted in a shop,
11 room, hotel room, motel room, or other premises rented for a
12 duration of less than thirty consecutive days or used on a
13 temporary basis.

14 4. "Pawnbroker" means a person, as defined in section 4.1,
15 subsection 13, who makes loans or advancements upon pawn,
16 pledge, or deposit of personal property, or who receives
17 personal property as security for loans, with or without a
18 mortgage, or who regularly engages in or conducts business for
19 the purchase, sale, barter, exchange, or pawn of gold, silver,
20 or platinum, including coins, and precious or semiprecious
21 gems or stones for resale as commodities, or who by
22 advertisement, sign, or otherwise claims to be a pawnbroker.

23 5. "Pawn shop" means a place of business of a pawnbroker.
24 "Pawn shop" includes the place where an itinerant pawnbroker
25 conducts business.

26 Sec. 2. NEW SECTION. 81.2 AGREEMENT FOR ORGANIZATION TO
27 CARRY OUT DUTIES UNDER CHAPTER.

28 1. The department of public safety shall enter into an
29 agreement with a private nonprofit organization authorizing
30 that organization, to be known as the Iowa stolen property
31 recovery unit, to carry out the following duties under this
32 chapter subject to supervision by the department:

- 33 a. Issuance of pawnbroker licenses.
- 34 b. Inspection of pawn shops.
- 35 c. Investigation of reported or discovered criminal

1 activity occurring in pawn shops.

2 d. Compilation of data on items pawned or sold in pawn
3 shops.

4 2. The department shall adopt rules for selecting the
5 organization and may impose bonding requirements.

6 3. If the director of the department determines that no
7 private nonprofit organization is qualified to carry out the
8 duties described in section 81.2 or that a satisfactory
9 agreement cannot be reached, the director may provide for the
10 department's assumption of the duties.

11 Sec. 3. NEW SECTION. 81.3 COMPLIANCE WITH CHAPTER.

12 1. A person shall not engage in or carry on the business
13 of a pawnbroker in this state without first paying the fee and
14 obtaining the license provided for in this chapter, nor shall
15 any person carry on the business of a pawnbroker in any manner
16 contrary to this chapter.

17 2. Each clerk, agent, or employee of a pawnbroker is
18 subject to all provisions of this chapter and is liable to the
19 same extent and subject to the same penalties as the employer
20 or principal for a violation of this chapter.

21 Sec. 4. NEW SECTION. 81.4 PAWNBROKER LICENSE.

22 1. A pawnbroker shall apply for and obtain a pawnbroker
23 license prior to engaging in or conducting business as a
24 pawnbroker. The license shall be posted conspicuously in the
25 place of business named.

26 2. To obtain a pawnbroker license, a pawnbroker shall file
27 a written, sworn application on a form provided by the
28 department. The application shall be signed by the applicant
29 if an individual, by all partners if the applicant is a
30 partnership, or by the president if the applicant is a
31 corporation. The application shall be filed with the Iowa
32 stolen property recovery unit at its main office. The
33 application shall show all of the following:

34 a. The name of each principal, agent, and employee of the
35 applicant's business during the time the business will be

1 carried on in this state; the local address of each person
2 named; the capacity as proprietor, agent, employee, or
3 otherwise, in which the person will act; the name and address
4 of the person, firm, or corporation for whose account the
5 business will be carried on, if any; and if a corporation, the
6 name of the state under whose laws it is incorporated.

7 b. The place within this state where the applicant will
8 carry on business, and in the case of an itinerant pawnbroker,
9 the place within the state where items will be held.

10 c. A brief statement of the nature and character of the
11 advertising done or proposed to be done in order to attract
12 customers.

13 d. Credentials from the person, firm, or corporation for
14 which the applicant proposes to do business, authorizing the
15 applicant to act as such representative.

16 Sec. 5. NEW SECTION. 81.5 LICENSE FEES.

17 1. A pawnbroker operating from a permanent location in
18 this state shall pay for each calendar year to the state of
19 Iowa a license fee of three hundred dollars if the license is
20 issued during the first half of the year, or two hundred
21 dollars if it is issued during the second half of the year.

22 2. An itinerant pawnbroker operating within this state
23 shall pay each year to the state of Iowa a license fee of four
24 hundred fifty dollars. The license shall be valid for a
25 twelve-month period from the date of issuance, subject to the
26 limitations of this chapter.

27 Sec. 6. NEW SECTION. 81.6 ISSUANCE -- DENIAL.

28 Upon receipt of an application for a pawnbroker license the
29 Iowa stolen property recovery unit shall notify the division
30 of criminal investigation of the department and the chief of
31 police or sheriff responsible for the jurisdiction where the
32 business is to be conducted and request that the division,
33 chief of police, or sheriff conduct an investigation of the
34 applicant's business responsibility and moral character and
35 submit a recommendation for issuance or denial of a pawnbroker

1 license. Within thirty days after the filing of an
2 application the Iowa stolen property recovery unit shall
3 either issue or deny a pawnbroker license. Reasons for denial
4 of a license include, but are not limited to, the following:

- 5 a. Conviction of a felony within the five years
6 immediately preceding the date of filing of the application.
- 7 b. Conviction of a crime involving moral turpitude within
8 the five years immediately preceding the date of filing of the
9 application.
- 10 c. Fraud, misrepresentation, or false statement of
11 material or relevant facts contained in the application.
- 12 d. Engaging in a fraudulent transaction or enterprise
13 within the five years immediately preceding the date of filing
14 of the application.
- 15 e. Failure to agree to comply with and require compliance
16 with all provisions of this chapter.
- 17 f. Violation of this chapter within the five years
18 immediately preceding the date of filing of the application.

19 Sec. 7. NEW SECTION. 81.7 REVOCATION.

20 A pawnbroker license may be revoked by the department for
21 any of the following:

- 22 1. Conviction of a felony.
- 23 2. Conviction of a crime involving moral turpitude.
- 24 3. Fraud, misrepresentation, or false statement of
25 material or relevant facts contained in the application.
- 26 4. Engaging in a fraudulent transaction or enterprise.
- 27 5. Violation of or failure to comply with and require
28 compliance with this chapter.

29 Sec. 8. NEW SECTION. 81.8 EXPIRATION OF LICENSE.

30 1. Except as provided in subsection 2, a pawnbroker
31 license shall expire on the last day of December after the
32 date of issue.

33 2. A pawnbroker license issued for an itinerant pawnbroker
34 shall expire one year from the date of issue.

35 Sec. 9. NEW SECTION. 81.9 NUMBERING OF LICENSES --

1 DISTRIBUTION OF COPIES.

2 All licenses issued under this chapter shall be numbered in
3 the order they are issued. The Iowa stolen property recovery
4 unit shall keep one copy of each license and shall send one
5 copy to the head of each police agency having investigative
6 authority in the area where the pawnbroker business will be
7 conducted, including but not limited to, the department of
8 public safety, the sheriff of the county where the business
9 will be conducted, and the chief of police or town constable,
10 if any, in the city or township where the business will be
11 conducted.

12 Sec. 10. NEW SECTION. 81.10 SEPARATE LICENSE FOR EACH
13 PAWN SHOP -- PROPERTY TO BE HELD WHERE RECEIVED.

14 1. A pawnbroker who conducts business at two or more pawn
15 shops shall pay the license fee and obtain a license for each
16 shop.

17 2. Property taken for purchase, sale, barter, exchange, or
18 pawn by a pawnbroker shall not be held at any location not
19 covered by the pawnbroker license for the shop where the
20 property was received.

21 Sec. 11. NEW SECTION. 81.11 RECORDS OF TRANSACTIONS.

22 1. A pawnbroker shall keep at each pawn shop a record
23 book, provided by the Iowa stolen property recovery unit and
24 issued to the pawnbroker by the unit, in which shall be
25 legibly recorded with ink the business of that pawn shop. At
26 the time of each transaction as a pawnbroker the following
27 information shall be recorded:

28 a. The time, date, place of the transaction, and type of
29 transaction.

30 b. An accurate description of the goods, articles, or
31 things purchased, bartered, exchanged or received.

32 c. The signature and printed name, residence, and
33 description, consisting of the sex, date of birth, social
34 security number, and type of identification presented, of the
35 person selling, bartering, or exchanging the goods, articles,

1 or things.

2 d. The estimated value of each article.

3 e. The amount paid, advanced, or loaned.

4 f. The date, name, address, and phone number of each
5 person who buys or redeems an item, and a description of the
6 item bought or redeemed.

7 2. The record book shall be kept for a period of at least
8 ten years from the date of the purchases, sales, barter, or
9 pawns, or exchanges recorded.

10 3. An itinerant pawnbroker shall provide a deposit of one
11 hundred dollars for each record book provided by the Iowa
12 stolen property recovery unit. The record book shall be
13 returned by hand or insured mail to the Iowa stolen property
14 recovery unit at its main office before the itinerant pawn-
15 broker leaves the state, at which time the deposit shall be
16 returned.

17 Sec. 12. NEW SECTION. 81.12 RETENTION OF ITEMS.

18 A pawnbroker shall not sell and deliver, melt, change the
19 form of, or dispose of any item subject to this chapter within
20 thirty days of the acquisition of the item, except that the
21 person who pawns an item may redeem the pawned item within the
22 thirty-day period.

23 Sec. 13. NEW SECTION 81.13 REPORTS.

24 At the end of each business week, every pawnbroker shall
25 deliver to the Iowa stolen property recovery unit at its main
26 office, by hand or first class mail, a copy of the records
27 required by this chapter which deal with all transactions
28 occurring in that period. The pawnbroker shall deliver a copy
29 to the local town constable, chief of police, or county
30 sheriff if so requested.

31 Sec. 14. NEW SECTION. 81.14 INSPECTION OF PREMISES.

32 A pawnbroker shall admit to its premises during regular
33 business hours any police officer or employee of the Iowa
34 stolen property recovery unit, to examine the record book on
35 the premises or in the pawnbroker's possession, as well as

1 articles purchased or received, and to search for and take
2 into possession any article known by that police officer or
3 employee to have been reported missing or known or believed by
4 that police officer or employee to have been stolen.

5 Sec. 15. NEW SECTION. 81.15 PURCHASES FROM MINORS.

6 A pawnbroker shall not purchase or receive any personal
7 property from a minor without first receiving the consent in
8 writing of the minor's parent or guardian, a copy of which
9 must be filed with the Iowa stolen property recovery unit at
10 the time of filing the weekly report required by section
11 81.13.

12 Sec. 16. NEW SECTION. 81.16 BUSINESS ON SUNDAY.

13 A pawnbroker shall not purchase or receive any property or
14 surrender any property between midnight on Saturday and
15 midnight on Sunday.

16 Sec. 17. NEW SECTION. 81.17 CONCEALING ARTICLES TO
17 PREVENT IDENTIFICATION -- RETENTION.

18 A pawnbroker shall not conceal, secrete, destroy for the
19 purposes of concealing, or remove from the premises covered
20 under the pawnbroker's license, any article purchased or
21 received by the pawnbroker for the purpose of preventing
22 identification thereof by a police officer, employee of the
23 Iowa stolen property recovery unit, or person claiming to own
24 the article. Upon a claim of a person alleging ownership of
25 any article being held by a pawnbroker, that pawnbroker shall
26 immediately notify the Iowa stolen property recovery unit at
27 its main office by telephone or telegraph of the claim. The
28 pawnbroker shall not sell, dispose, or allow redemption of the
29 article until at least thirty days from the date of the claim
30 made against it unless the Iowa stolen property recovery unit
31 notifies the pawnbroker before the expiration of the thirty-
32 day period that the claim has been settled.

33 Sec. 18. NEW SECTION. 81.18 SERIAL NUMBERS.

34 A pawnbroker shall not acquire, by purchase, barter,
35 exchange, or pawn, any item bearing evidence of a serial

1 number which has been tampered with or scratched or
2 obliterated in any manner unless the pawnbroker immediately
3 notifies the Iowa stolen property recovery unit. An item
4 taken as pawn, barter, exchange, or purchase and subject to
5 this section shall be held for sixty days before redemption,
6 sale, or disposal.

7 Sec. 19. NEW SECTION. 81.19 PICTURE IDENTIFICATION.

8 1. A person seeking to sell, barter, exchange, or pawn an
9 item at a pawn shop shall present to the pawnbroker a driver's
10 license, nonoperator's identification card, or other
11 identification card containing the person's picture.

12 2. A pawnbroker shall not acquire any item by purchase,
13 barter, exchange, or pawn, prior to comparing the actual
14 physical appearance of the person selling, bartering,
15 exchanging, or pawning the item with the person's picture
16 identification.

17 Sec. 20. NEW SECTION. 81.20 PENALTIES.

18 1. A person, firm, partnership, or corporation doing
19 business in violation of section 81.4 commits a class "D"
20 felony.

21 2. A pawnbroker doing business under a license issued
22 pursuant to this chapter who violates section 81.11, 81.12,
23 81.13, or 81.16 commits a serious misdemeanor.

24 3. A pawnbroker doing business under a license issued
25 pursuant to this chapter who violates any other provision of
26 this chapter commits a simple misdemeanor.

27 Sec. 21. PERIOD TO OBTAIN LICENSE. A pawnbroker who is
28 carrying on the business of a pawnbroker on the effective date
29 of this Act has thirty days from that date to obtain a
30 pawnbroker license.

31

EXPLANATION

32 This bill creates a new chapter 81 relating to the regu-
33 lation of pawnbrokers. It provides for statewide regulation
34 and requires licenses, recordkeeping, reporting, and inspec-
35 tions.

1 The bill provides that the department of public safety
2 would enter into an agreement with a private nonprofit
3 organization authorizing that organization to carry out duties
4 under the new chapter. The department of public safety would
5 supervise the activities of the organization.

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Sen. State. File. 3/15/88

SENATE FILE 93
BY BRUNER

(AS AMENDED AND PASSED BY THE SENATE MARCH 14, 1988)

_____ - New Language by the Senate
* - Language Stricken by the Senate

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the regulation of pawnbrokers on a statewide
2 basis and providing penalties.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. 81.1 DEFINITIONS.

2 As used in this chapter, unless the context otherwise
3 requires:

4 1. "Department" means the department of public safety.

5 2. "Iowa stolen property recovery unit" means the
6 organization authorized by the department of public safety, as
7 provided in section 81.2, to carry out duties under this
8 chapter.

9 3. "Itinerant pawnbroker" means a pawnbroker who engages
10 in a temporary or transient business conducted in a shop,
11 room, hotel room, motel room, or other premises rented for a
12 duration of less than thirty consecutive days or used on a
13 temporary basis.

14 4. "Pawnbroker" means a person, as defined in section 4.1,
15 subsection 13, who makes loans or advancements upon pawn,
16 pledge, or deposit of personal property, or who receives
17 personal property as security for loans, with or without a
18 mortgage, or who regularly engages in or conducts business for
19 the purchase, sale, barter, exchange, or pawn of gold, silver,
20 or platinum, including coins, and precious or semiprecious
21 gems or stones for resale as commodities, or who by
22 advertisement, sign, or otherwise claims to be a pawnbroker.

23 5. "Pawn shop" means a place of business of a pawnbroker.
24 "Pawn shop" includes the place where an itinerant pawnbroker
25 conducts business.

26 Sec. 2. NEW SECTION. 81.2 AGREEMENT FOR ORGANIZATION TO
27 CARRY OUT DUTIES UNDER CHAPTER.

28 1. The department of public safety shall enter into an
29 agreement with a private nonprofit organization authorizing
30 that organization, to be known as the Iowa stolen property
31 recovery unit, to carry out the following duties under this
32 chapter subject to supervision by the department:

33 a. Issuance of pawnbroker licenses.

34 b. Inspection of pawn shops.

35 c. Investigation of reported or discovered criminal

1 activity occurring in pawn shops.

2 d. Compilation of data on items pawned or sold in pawn
3 shops.

4 2. The department shall adopt rules for selecting the
5 organization and may impose bonding requirements.

6 3. If the director of the department determines that no
7 private nonprofit organization is qualified to carry out the
8 duties described in section 81.2 or that a satisfactory
9 agreement cannot be reached, the director may provide for the
10 department's assumption of the duties.

11 Sec. 3. NEW SECTION. 81.3 COMPLIANCE WITH CHAPTER.

12 1. A person shall not engage in or carry on the business
13 of a pawnbroker in this state without first paying the fee and
14 obtaining the license provided for in this chapter, nor shall
15 any person carry on the business of a pawnbroker in any manner
16 contrary to this chapter.

17 2. Each clerk, agent, or employee of a pawnbroker is
18 subject to all provisions of this chapter and is liable to the
19 same extent and subject to the same penalties as the employer
20 or principal for a violation of this chapter.

21 Sec. 4. NEW SECTION. 81.4 PAWNBROKER LICENSE.

22 1. A pawnbroker shall apply for and obtain a pawnbroker
23 license prior to engaging in or conducting business as a
24 pawnbroker. The license shall be posted conspicuously in the
25 place of business named.

26 2. To obtain a pawnbroker license, a pawnbroker shall file
27 a written, sworn application on a form provided by the
28 department. The application shall be signed by the applicant
29 if an individual, by all partners if the applicant is a
30 partnership, or by the president if the applicant is a
31 corporation. The application shall be filed with the Iowa
32 stolen property recovery unit at its main office. The
33 application shall show all of the following:

34 a. The name of each principal, agent, and employee of the
35 applicant's business during the time the business will be

1 carried on in this state; the local address of each person
2 named; the capacity as proprietor, agent, employee, or
3 otherwise, in which the person will act; the name and address
4 of the person, firm, or corporation for whose account the
5 business will be carried on, if any; and if a corporation, the
6 name of the state under whose laws it is incorporated.

7 b. The place within this state where the applicant will
8 carry on business, and in the case of an itinerant pawnbroker,
9 the place within the state where items will be held.

10 c. A brief statement of the nature and character of the
11 advertising done or proposed to be done in order to attract
12 customers.

13 d. Credentials from the person, firm, or corporation for
14 which the applicant proposes to do business, authorizing the
15 applicant to act as such representative.

16 Sec. 5. NEW SECTION. 81.5 LICENSE FEES.

17 1. A pawnbroker operating from a permanent location in
18 this state shall pay for each calendar year to the state of
19 Iowa a license fee of one hundred dollars.

20 2. An itinerant pawnbroker operating within this state
* 21 shall pay each year to the state of Iowa a license fee of two
22 hundred dollars.

23 Sec. 6. NEW SECTION. 81.6 ISSUANCE -- DENIAL.

24 Upon receipt of an application for a pawnbroker license the
25 Iowa stolen property recovery unit shall notify the division
26 of criminal investigation of the department and the chief of
27 police or sheriff responsible for the jurisdiction where the
28 business is to be conducted and request that the division,
29 chief of police, or sheriff conduct an investigation of the
30 applicant's business responsibility and moral character and
31 submit a recommendation for issuance or denial of a pawnbroker
32 license. Within thirty days after the filing of an
33 application the Iowa stolen property recovery unit shall
34 either issue or deny a pawnbroker license. Reasons for denial
35 of a license include, but are not limited to, the following:

- 1 a. Conviction of a felony within the five years
- 2 immediately preceding the date of filing of the application.
- 3 b. Conviction of a crime involving moral turpitude within
- 4 the five years immediately preceding the date of filing of the
- 5 application.
- 6 c. Fraud, misrepresentation, or false statement of
- 7 material or relevant facts contained in the application.
- 8 d. Engaging in a fraudulent transaction or enterprise
- 9 within the five years immediately preceding the date of filing
- 10 of the application.
- 11 e. Failure to agree to comply with and require compliance
- 12 with all provisions of this chapter.
- 13 f. Violation of this chapter within the five years
- 14 immediately preceding the date of filing of the application.

15 Sec. 7. NEW SECTION. 81.7 REVOCATION.

16 A pawnbroker license may be revoked by the department for
17 any of the following:

- 18 1. Conviction of a felony.
- 19 2. Conviction of a crime involving moral turpitude.
- 20 3. Fraud, misrepresentation, or false statement of
- 21 material or relevant facts contained in the application.
- 22 4. Engaging in a fraudulent transaction or enterprise.
- 23 5. Violation of or failure to comply with and require
- 24 compliance with this chapter.

25 Sec. 8. NEW SECTION. 81.8 EXPIRATION OF LICENSE.

- 26 1. Except as provided in subsection 2, a pawnbroker
- 27 license shall expire on the last day of December after the
- 28 date of issue.
- 29 2. A pawnbroker license issued for an itinerant pawnbroker
- 30 shall expire one year from the date of issue.

31 Sec. 9. NEW SECTION. 81.9 NUMBERING OF LICENSES --
32 DISTRIBUTION OF COPIES.

33 All licenses issued under this chapter shall be numbered in
34 the order they are issued. The Iowa stolen property recovery
35 unit shall keep one copy of each license and shall send one

1 copy to the head of each police agency having investigative
2 authority in the area where the pawnbroker business will be
3 conducted, including but not limited to, the department of
4 public safety, the sheriff of the county where the business
5 will be conducted, and the chief of police or town constable,
6 if any, in the city or township where the business will be
7 conducted.

8 Sec. 10. NEW SECTION. 81.10 SEPARATE LICENSE FOR EACH
9 PAWN SHOP -- PROPERTY TO BE HELD WHERE RECEIVED.

10 1. A pawnbroker who conducts business at two or more pawn
11 shops shall pay the license fee and obtain a license for each
12 shop.

13 2. Property taken for purchase, sale, barter, exchange, or
14 pawn by a pawnbroker shall not be held at any location not
15 covered by the pawnbroker license for the shop where the
16 property was received.

17 Sec. 11. NEW SECTION. 81.11 RECORDS OF TRANSACTIONS.

18 1. A pawnbroker shall keep at each pawn shop a record
19 book, provided by the Iowa stolen property recovery unit and
20 issued to the pawnbroker by the unit, in which shall be
21 legibly recorded with ink the business of that pawn shop. At
22 the time of each transaction as a pawnbroker the following
23 information shall be recorded:

24 a. The time, date, place of the transaction, and type of
25 transaction.

26 b. An accurate description of the goods, articles, or
27 things purchased, bartered, exchanged or received.

28 c. The signature and printed name, residence, and
29 description, consisting of the sex, date of birth, social
30 security number, and type of identification presented, of the
31 person selling, bartering, or exchanging the goods, articles,
32 or things.

33 d. The estimated value of each article.

34 e. The amount paid, advanced, or loaned.

35 f. The date, name, address, and phone number of each

1 person who buys or redeems an item, and a description of the
2 item bought or redeemed.

3 2. The record book shall be kept for a period of at least
4 ten years from the date of the purchases, sales, barter, or
5 pawns, or exchanges recorded.

6 3. An itinerant pawnbroker shall provide a deposit of one
7 hundred dollars for each record book provided by the Iowa
8 stolen property recovery unit. The record book shall be
9 returned by hand or insured mail to the Iowa stolen property
10 recovery unit at its main office before the itinerant pawn-
11 broker leaves the state, at which time the deposit shall be
12 returned.

13 Sec. 12. NEW SECTION. 81.12 RETENTION OF ITEMS.

14 A pawnbroker shall not sell and deliver, melt, change the
15 form of, or dispose of any item subject to this chapter within
16 thirty days of the acquisition of the item, except that the
17 person who pawns an item may redeem the pawned item within the
18 thirty-day period.

19 Sec. 13. NEW SECTION 81.13 REPORTS.

20 At the end of each business week, every pawnbroker shall
21 deliver to the Iowa stolen property recovery unit at its main
22 office, by hand or first class mail, a copy of the records
23 required by this chapter which deal with all transactions
24 occurring in that period. The pawnbroker shall deliver a copy
25 to the local town constable, chief of police, or county
26 sheriff if so requested.

27 Sec. 14. NEW SECTION. 81.14 INSPECTION OF PREMISES.

28 A pawnbroker shall admit to its premises during regular
29 business hours any police officer or employee of the Iowa
30 stolen property recovery unit, to examine the record book on
31 the premises or in the pawnbroker's possession, as well as
32 articles purchased or received, and to search for and take
33 into possession any article known by that police officer or
34 employee to have been reported missing or known or believed by
35 that police officer or employee to have been stolen.

1 Sec. 15. NEW SECTION. 81.15 PURCHASES FROM MINORS.

2 A pawnbroker shall not purchase or receive any personal
3 property from a minor without first receiving the consent in
4 writing of the minor's parent or guardian, a copy of which
5 must be filed with the Iowa stolen property recovery unit at
6 the time of filing the weekly report required by section
7 81.13.

8 Sec. 16. NEW SECTION. 81.16 BUSINESS ON SUNDAY.

9 A pawnbroker shall not purchase or receive any property or
10 surrender any property between midnight on Saturday and
11 midnight on Sunday.

12 Sec. 17. NEW SECTION. 81.17 CONCEALING ARTICLES TO
13 PREVENT IDENTIFICATION -- RETENTION.

14 A pawnbroker shall not conceal, secrete, destroy for the
15 purposes of concealing, or remove from the premises covered
16 under the pawnbroker's license, any article purchased or
17 received by the pawnbroker for the purpose of preventing
18 identification thereof by a police officer, employee of the
19 Iowa stolen property recovery unit, or person claiming to own
20 the article. Upon a claim of a person alleging ownership of
21 any article being held by a pawnbroker, that pawnbroker shall
22 immediately notify the Iowa stolen property recovery unit at
23 its main office by telephone or telegraph of the claim. The
24 pawnbroker shall not sell, dispose, or allow redemption of the
25 article until at least thirty days from the date of the claim
26 made against it unless the Iowa stolen property recovery unit
27 notifies the pawnbroker before the expiration of the thirty-
28 day period that the claim has been settled.

29 Sec. 18. NEW SECTION. 81.18 SERIAL NUMBERS.

30 A pawnbroker shall not acquire, by purchase, barter,
31 exchange, or pawn, any item bearing evidence of a serial
32 number which has been tampered with or scratched or
33 obliterated in any manner unless the pawnbroker immediately
34 notifies the Iowa stolen property recovery unit. An item
35 taken as pawn, barter, exchange, or purchase and subject to

1 this section shall be held for sixty days before redemption,
2 sale, or disposal.

3 Sec. 19. NEW SECTION. 81.19 PICTURE IDENTIFICATION.

4 1. A person seeking to sell, barter, exchange, or pawn an
5 item at a pawn shop shall present to the pawnbroker a driver's
6 license, nonoperator's identification card, or other
7 identification card containing the person's picture.

8 2. A pawnbroker shall not acquire any item by purchase,
9 barter, exchange, or pawn, prior to comparing the actual
10 physical appearance of the person selling, bartering,
11 exchanging, or pawning the item with the person's picture
12 identification.

13 Sec. 20. NEW SECTION. 81.20 PENALTIES.

14 1. A person, firm, partnership, or corporation doing
15 business in violation of section 81.4 commits a class "D"
16 felony.

17 2. A pawnbroker doing business under a license issued
18 pursuant to this chapter who violates section 81.11, 81.12,
19 81.13, or 81.16 commits a serious misdemeanor.

20 3. A pawnbroker doing business under a license issued
21 pursuant to this chapter who violates any other provision of
22 this chapter commits a simple misdemeanor.

23 Sec. 21. PERIOD TO OBTAIN LICENSE. A pawnbroker who is
24 carrying on the business of a pawnbroker on the effective date
25 of this Act has thirty days from that date to obtain a
26 pawnbroker license.

27 Sec. 22. This Act takes effect January 1, 1990.

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SENATE FILE 93

H-6156

1 Amend Senate File 93, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 4, line 22, by inserting after the word
4 "enterprise." the following: "A fraudulent
5 transaction includes, but is not limited to, a
6 transaction providing for a service charge, annual
7 percentage rate of interest, or other charge in excess
8 of the limits adopted by rule by the superintendent of
9 banking, or the superintendent's designee."

10 2. Page 4, by inserting after line 24, the
11 following:

12 "6. Failure to post applicable service charges,
13 loan closing costs, and the annual percentage rate of
14 interest in a prominent place on the business'
15 premises readily accessible for public inspection."

16 3. Page 8, by inserting after line 12, the
17 following:

18 "Sec. ____ . NEW SECTION. 81.19A MAXIMUM RATES AND
19 CHARGES.

20 The superintendent of the division of banking, or
21 the superintendent's designee, shall adopt by rule,
22 maximum annual percentage rates of interest, service
23 charges, loan closing costs, or other charges, in an
24 amount reasonable in the circumstances, and calculated
25 to protect consumers from abusive rates, but
26 recognizing the risks and costs inherent in the
27 business."

By HUMMEL of Benton

H-6156 FILED MARCH 31, 1988