

STATE OF OKLAHOMA

2nd Session of the 48th Legislature (2002)

SENATE BILL 922

By: Coffee

AS INTRODUCED

An Act relating to professions and occupations; amending 59 O.S. 2001, Section 1511, which relates to the Oklahoma Pawnshop Act; prohibiting pawn transactions on Sundays; making language gender neutral; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 59 O.S. 2001, Section 1511, is amended to read as follows:

Section 1511. A. Multiple Agreements. No pawnbroker shall separate or divide a pawn transaction into two or more transactions for the purpose or with the effect of obtaining a total pawn finance charge in excess of that authorized for an amount equal to the total of the amounts financed in the resulting transactions.

B. Customer's Personal Liabilities Prohibited. Even though a pawn transaction subject to Section 1501 et seq. of this title creates a debtor-creditor relationship, no pawnbroker shall make any agreement requiring the personal liability of a customer in connection with a pawn transaction, and no customer shall have an obligation to redeem pledged goods or make any payment on a pawn transaction. The only recourse of a pawnbroker where the customer has pledged goods shall be to the pledged goods themselves, unless the pledged goods are found to be stolen, embezzled, mortgaged or otherwise pledged or encumbered. Upon the customer being officially notified by a peace officer that the goods ~~he~~ pledged or sold to a pawnbroker were stolen or embezzled, the customer shall be liable to repay the pawnbroker the full amount the customer received from the pawn or buy transaction. Any pledged goods not redeemed within

thirty (30) days following the last fixed maturity date may thereafter, at the option of the pawnbroker, be forfeited and become the property of the pawnbroker.

C. Prohibited Practices. A pawnbroker shall not:

1. Accept a pledge or purchase property from a person, male or female, under the age of eighteen (18) years;

2. Accept any waiver, in writing or otherwise, of any right or protection accorded a customer under this act;

3. Fail to exercise reasonable care to protect pledged goods from loss or damage;

4. Fail to return pledged goods to a customer upon payment of the full amount due the pawnbroker on the pawn transaction, unless a hold order has been placed on the pledged goods by an authorized peace officer or the pledged goods are in the custody of law enforcement;

5. Make any charge for insurance in connection with a pawn transaction, except as provided in subsection F of this section;

6. Enter into any pawn transaction which has a maturity date more than one (1) month after the date of the transaction; ~~or~~

7. Enter into any pawn transaction from Sunday 12:00 a.m. to 11:59 p.m.; or

8. Accept collateral or buy merchandise from a person unable to supply verification of identity by photo I.D. by either a state-issued identification card, driver's license or federal government-issued identification card or by readable fingerprint of right or left index finger on the back of the pawn or buy transaction copy to be retained for the pawnbroker's record.

D. Presumption. Except as otherwise provided by this act, any person ~~properly identifying himself~~ presenting proper identification as the original customer in the pawn transaction or as the assignee thereof, and presenting a pawn transaction agreement to the

pawnbroker shall be presumed to be entitled to redeem the pledged goods described therein.

E. Lost or Destroyed Transaction Agreement. If the pawn transaction agreement is lost, destroyed or stolen, the customer may so notify the pawnbroker in writing, and receipt of such notice shall invalidate such pawn transaction agreement, if the pledged goods have not previously been redeemed. Before delivering the pledged goods or issuing a new pawn transaction agreement, the pawnbroker may require the customer to make affidavit of the loss, destruction or theft of the agreement.

F. Insurance. 1. A pawnbroker may offer insurance to a customer at the time of the pawn transaction to provide coverage during the pawn contract period for the declared value of the items pawned. The purchase of insurance shall be at the option of the customer.

2. A pawnbroker may not offer insurance coverage unless the pawnbroker:

- a. is licensed as a limited insurance representative for the purpose of providing insurance coverage for pawned merchandise, as required by Section ~~1424~~ 1424.11 of Title 36 of the Oklahoma Statutes,
- b. has filed with the Administrator of the Department of Consumer Credit a copy of the insurance policy which shall have been issued by an insurer authorized by the Insurance Commissioner to transact insurance in this state, and
- c. has posted a copy of the policy in a conspicuous place which is readily available to the customer.

SECTION 2. This act shall become effective November 1, 2002.