MISSISSIPPI LEGISLATURE REGULAR SESSION 2021

By: Representative Zuber

To: Banking and Financial Services

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 377

AN ACT TO AMEND SECTION 75-67-303, MISSISSIPPI CODE OF 1972, TO ADD THE TERM "BONAFIDE PROOF OF PURCHASE" TO THE LIST OF DEFINITIONS IN THE "MISSISSIPPI PAWNSHOP ACT"; TO AMEND SECTION 75-67-309, MISSISSIPPI CODE OF 1972, TO CLARIFY THAT RECORDS OF PAWNSHOP TRANSACTIONS SHALL INCLUDE A COMPLETE RECORD OF CERTAIN INFORMATION; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 75-67-303, Mississippi Code of 1972, is amended as follows:

75-67-303. The following words and phrases used in this article shall have the following meanings unless the context clearly indicates otherwise:

(a) "Pawnbroker" means any person engaged in whole or in part in the business of lending money on the security of pledged goods left in pawn, or in the business of purchasing tangible personal property to be left in pawn on the condition that it may be redeemed or repurchased by the seller for a fixed price within a fixed period of time; provided, however, that the following are exempt from the definition of "pawnbroker" and from the provisions of this article: any bank which is regulated by

the State Department of Banking and Consumer Finance, the Comptroller of the Currency of the United States, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System or any other federal or state authority and all affiliates of such bank, and additionally any bank or savings and loan association whose deposits or accounts are eligible for insurance by the Bank Insurance Fund or the Savings Association Insurance Fund or other fund administered by Federal Deposit Insurance Corporation or any successor thereto, and all affiliates of such banks and savings and loan associations, any state or federally chartered credit union and any finance company subject to licensing and regulation by the State Department of Banking and Consumer Finance.

(b) "Pawnshop" means the location at which or premises in which a pawnbroker regularly conducts business.

(c) "Pawn transaction" means any loan on the security of pledged goods or any purchase of pledged goods on the condition that the pledged goods are left with the pawnbroker and may be redeemed or repurchased by the seller for a fixed price within a fixed period of time. A "pawn transaction" does not include the pledge to or the purchase by a pawnbroker of real or personal property from a customer followed by the sale of the leasing of that same property back to the customer in the same or a related transaction and such is not permitted by this article.

(d) "Person" means an individual, partnership, corporation, joint venture, trust, association, or any legal entity however organized.

(e) "Pledged goods" means tangible personal property other than choses in action, securities, or printed evidence of indebtedness, which property is purchased by, deposited with, or otherwise actually delivered into the possession of a pawnbroker in connection with a pawn transaction.

(f) "Commissioner" means the Mississippi Commissioner of Banking and Consumer Finance, or his designee, as the designated official for the purpose of enforcing this article.

(g) "Appropriate law enforcement agency" means the sheriff of each county in which the pawnbroker maintains an office, or the police chief of the municipality or law enforcement officers of the Department of Public Safety in which the pawnbroker maintains an office.

(h) "Attorney General" means the Attorney General of the State of Mississippi.

(i) "Records" or "documents" means any item in hard copy or produced in a format of storage commonly described as electronic, imaged, magnetic, microphotographic or otherwise, and any reproduction so made shall have the same force and effect as the original thereof and be admitted in evidence equally with the original.

(j) "Bonafide proof of ownership" means a document that serves as evidence that an individual is the owner of a certain item, that includes, but is not limited to, a bill of sale, receipt of purchase, certificate of title, warehouse receipt, or other similar document.

SECTION 2. Section 75-67-309, Mississippi Code of 1972, is amended as follows:

75-67-309. (1) The pledgor or seller shall *** * *** provide a bonafide proof of ownership verifying that the pledgor or seller is the rightful owner of the goods *** * *** and is entitled to sell or pledge the goods and shall receive an exact copy of the pawn ticket which shall be signed or initialed by the pawnbroker or any employee of the pawnbroker.

(2) The pawnbroker shall maintain a record of all transactions of pledged or purchased goods on the premises. A pawnbroker shall upon request provide to the appropriate law enforcement agency a complete record of all transactions. These records shall be a correct copy of the entries made of the pawn or purchase transaction under Section 75-67-305, except as to the amount of cash advanced or paid for the goods and monthly pawnshop charge. If the law enforcement agency supplies the appropriate computer software and the pawnbroker has the appropriate computer hardware, all transactions shall be made available by means of electronic transmission through a modem or similar device or by providing a computer disc to the law enforcement agency within

seventy-two (72) hours of the transaction. Any pawnbroker who is recording transactions through the use of computer hardware on March 24, 2001, and is provided such appropriate software shall not cease or alter the use of his computer hardware unless authorized by the law enforcement agency.

(3) All goods purchased across the counter by the pawnbroker shall be maintained on the premises by the pawnbroker for at least fourteen (14) calendar days if the pawnbroker makes available all transactions either electronically or on computer disc to the appropriate law enforcement agency as provided in subsection (2) above. Otherwise, the pawnbroker shall maintain on the premises the purchased goods for twenty-one (21) calendar days.

SECTION 3. This act shall take effect and be in force from and after July 1, 2021.