

As Introduced

**128th General Assembly
Regular Session
2009-2010**

H. B. No. 288

Representative Harwood

**Cosponsors: Representatives Ujvagi, Phillips, Williams, B., Chandler,
Domenick, Luckie**

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A B I L L

To amend sections 715.61, 4727.01, 4727.08, 4727.09, 1
4727.10, 4727.11, 4727.12, 4727.99, 4728.01, 2
4728.06, 4728.07, 4728.08, and 4728.09 and to 3
repeal section 4727.21 of the Revised Code to make 4
changes in laws regulating pawnbrokers and 5
precious metal dealers to revise item information 6
furnished to local law enforcement agencies and, 7
under the Precious Metal Dealer Law, specify which 8
local law enforcement agencies are to receive item 9
information; to restrict the type of property 10
received or purchased; to require specified proof 11
of identity of persons pledging, redeeming, or 12
from whom property is purchased; to increase 13
property retaining periods, including the period 14
an item must be retained if there is probable 15
cause that it is stolen property; and to modify 16
procedures and authorized civil actions in 17
connection with returning pledged or purchased 18
property to its true owner. 19

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 715.61, 4727.01, 4727.08, 4727.09, 20
4727.10, 4727.11, 4727.12, 4727.99, 4728.01, 4728.06, 4728.07, 21
4728.08, and 4728.09 of the Revised Code be amended to read as 22
follows: 23

Sec. 715.61. Any municipal corporation may regulate and 24
license manufacturers and dealers in explosives, chattel mortgage 25
and salary loan brokers, peddlers, public ballrooms, scavengers, 26
intelligence officers, billiard rooms, bowling alleys, livery, 27
sale, and boarding stables, dancing or riding academies or 28
schools, race courses, ball grounds, street musicians, secondhand 29
dealers, pawnbrokers, precious metal dealers, junk shops, and all 30
persons engaged in the trade, business, or profession of 31
manicuring, massaging, or chiropody. In the granting of any 32
license a municipal corporation may charge such fees as the 33
legislative authority deems proper and expedient. 34

Sec. 4727.01. As used in this chapter: 35

(A) "Pawnbroker" means a person engaged in the business of 36
lending money on deposit or pledges of personal property, other 37
than securities, printed evidence of indebtedness, titles, deeds, 38
or bills of sale, at a total charge, rate of interest, or discount 39
or other remuneration in excess of eight per cent per annum, and 40
includes a person engaged in the business of purchasing personal 41
property from another person with an agreement that the personal 42
property will be made available to that other person for 43
repurchase within an agreed-to time period and for an amount 44
greater than the price originally paid to that other person for 45
the purchase of the personal property. 46

(B) "Personal identification card" has the same meaning as in 47
section 4737.01 of the Revised Code. 48

(C) "Superintendent of financial institutions" includes the 49

deputy superintendent for consumer finance as provided in section 50
1181.21 of the Revised Code. 51

Sec. 4727.08. (A) Every person licensed as a pawnbroker shall 52
keep and use separate pawn forms and purchase forms to be approved 53
by the superintendent of financial institutions. 54

(B) The licensee shall record on the appropriate form for 55
each pawn or purchase all of the following information: 56

(1) The date and time of the pledging or purchasing; 57

(2) The amount of the loan or the purchase price; 58

(3) The rate of interest and the charges to be paid on the 59
loan; 60

(4) The time within which the pledgor is to redeem the 61
pledged property; 62

(5) The name, age, and address of the pledgor or seller; 63

(6) ~~A driver's license number, military identification 64
number, or other personal identification number;~~ 65

~~(7)~~ A physical description of the pledgor or seller; 66

~~(8)~~(7) An accurate description of the pledged or purchased 67
property, including the name of the manufacturer, any serial and 68
model numbers, any identifying features, and any identifying 69
letters or marks; 70

(8) The name of the licensee or licensee employee involved 71
with the sale or pledge; 72

(9) Any other disclosures required by federal law. 73

(C) A licensee shall make a copy of the pledgor's or seller's 74
personal identification card and shall attach that copy to the 75
form required under division (B) of this section. A licensee shall 76
take an impression of the right or left thumb of the pledgor or 77

seller and attach that impression to the form. If the pledgor or 78
seller has no thumbs, the licensee shall take an impression of 79
another digit, attach that impression to the form, and note on the 80
form the digit to which the impression refers. 81

(D) A copy of each form used in a pawn or purchase shall be 82
kept at all times in numerical order in an active or inactive 83
file, as appropriate, and the licensee shall account for all form 84
numbers. 85

~~(D)~~(E) The records and forms, at all times, shall be kept at 86
the licensed location and available for inspection by the 87
superintendent and by the chief of police of the municipal 88
corporation or township in which the licensee's place of business 89
is located or, if the place of business is not located within a 90
municipal corporation or a township that has a chief of police, by 91
the sheriff of the county in which the place of business is 92
located. Upon demand of any of them, the licensee shall produce 93
and show any records, forms, pledges, or purchases which are in 94
the licensee's possession. 95

~~(E)~~(F) Except in the case of a pledged motor vehicle, 96
watercraft, or outboard motor, the licensee shall keep all pledges 97
and purchases at the licensee's place of business unless a 98
pledgor, in writing, agrees otherwise at the time the pledge is 99
made. If the item pledged for the pawn loan is a motor vehicle, 100
watercraft, or outboard motor, the licensee shall take possession 101
of both the motor vehicle, watercraft, or outboard motor and the 102
certificate of title to the motor vehicle, watercraft, or outboard 103
motor and shall keep the certificate at the licensee's place of 104
business but, upon notification to the pledgor, may keep the motor 105
vehicle, watercraft, or outboard motor at a location other than 106
the licensee's place of business. No pledge shall be removed from 107
the place of business for the licensee's personal use or gain. 108

~~(F)~~(G) Every person licensed as a pawnbroker under this 109

chapter shall keep and use an intelligible set of books and 110
records in the English language in complying with this chapter 111
with respect to recording the details of each purchase or loan. 112
Except as provided in division ~~(J)~~(K) of this section, all 113
information required to be recorded by this chapter shall be 114
entered in a bound book or on loose-leaf, permanent forms used 115
exclusively for that purpose. Forms shall be identical and 116
consecutively numbered, and each shall contain two or more pages. 117
One part of each form shall be detachable and, when completed, 118
shall serve as the statement to be given by the licensee to the 119
pledgor or seller as provided by section 4727.07 of the Revised 120
Code, ~~the~~. The remaining part of the form shall be retained in the 121
licensee's permanent records. All forms shall be accounted for. 122

~~(G)~~(H) No licensee shall require a borrower to affix the 123
borrower's signature to a blank or partially filled out pawn form 124
or other record. 125

~~(H)~~(I) Every licensee shall preserve the licensee's books, 126
forms, accounts, and records for at least two years after making 127
the final entry regarding any purchase or pledge of property 128
recorded therein. 129

~~(I)~~(J) All pawn and purchase forms, legal notices, and 130
payment receipt forms shall reflect the name under which the 131
licensee is registered with the superintendent and the complete 132
address of the place of business. 133

~~(J)~~(K) Notwithstanding any other provision of this chapter, a 134
licensee may use other methods of recording data, keeping records, 135
and keeping books, such as electronic or computerized methods, in 136
lieu of the methods described in this section, provided written 137
printouts or hard copies of the required data are readily 138
available in a form approved, in advance, by the superintendent. 139

A licensee may use an electronic device that decodes and 140

records information contained in the metallic strip on a personal 141
identification card to record a person's name, address, and 142
photograph in lieu of making a copy of a person's personal 143
identification card to comply with the requirements of this 144
section and section 4727.11 of the Revised Code, provided that the 145
licensee retains the recorded information and makes it readily 146
available in accordance with the requirements described in this 147
section and section 4727.11 of the Revised Code. 148

Sec. 4727.09. (A) A person licensed as a pawnbroker shall, 149
every day, furnish the following information to the chief of 150
police of the municipal corporation or township in which the 151
licensee's place of business is located or, if the place of 152
business is not located within a municipal corporation or a 153
township that has a chief of police, to the sheriff of the county 154
in which the place of business is located: 155

(1) ~~A~~ An accurate description of all property pledged with or 156
purchased by the licensee, including, if available, the name of 157
the manufacturer, any serial or model number, and any identifying 158
mark, letter, or feature; 159

(2) The number of the pawn or purchase form the licensee used 160
to document the pledge or purchase; 161

(3) The name and address of each person who pledged or sold 162
property to the licensee, and an identification number from the 163
person's personal identification card; 164

(4) A physical description of each person who pledged or sold 165
property to the licensee. 166

(B) A licensee shall provide the ~~property description and~~ 167
~~form number~~ information required by division (A) of this section 168
on the form furnished by the law enforcement officer requesting 169
the information. ~~The~~ At the discretion of each law enforcement 170

agency, the completed form may be communicated by electronic 171
transfer or be in a magnetic media format. Except for the 172
information described in division (A)(3) of this section, the 173
information provided pursuant to division (A) of this section is a 174
public record available for inspection under section 149.43 of the 175
Revised Code. 176

(C) For the purposes of this section, a licensee need provide 177
only the information required by division (A) of this section. 178

Sec. 4727.10. No person licensed as a pawnbroker shall 179
receive do any of the following: 180

(A) Receive any pledge or purchase any articles from any 181
minor, from any person who is at the time intoxicated or under the 182
influence of a controlled substance, from any person who is known 183
or believed by the licensee to be a thief or a receiver of stolen 184
property, ~~or~~ from any person identified in writing to the licensee 185
by the chief of police of a municipal corporation or township, the 186
sheriff, or the state highway patrol as a known or suspected thief 187
or receiver of stolen property, or from any person who fails to 188
present a valid personal identification card; 189

(B) Knowingly receive any pledge or purchase any property 190
that has had its serial number removed or otherwise defaced; 191

(C) Receive any pledge or purchase any property from a person 192
unless the person provides a fingerprint at the time of the 193
transaction. 194

Sec. 4727.11. (A) If a pledgor fails to pay interest to a 195
person licensed as a pawnbroker on a pawn loan for two months from 196
the date of the loan or the date on which the last interest 197
payment is due, the licensee shall notify the pledgor by mail, 198
with proof of mailing, to the last place of address given by the 199
pledgor, that unless the pledgor redeems the pledged property or 200

pays all interest due and storage charges within thirty days from 201
the date the notice is mailed, the pledged property shall be 202
forfeited to the licensee. If the pledgor fails to redeem or pay 203
all interest due and storage charges within the period specified 204
in the notice, the licensee becomes the owner of the pledged 205
property. 206

(B) In the event that any article or property is redeemed by 207
a person other than the pledgor, the pledgor shall sign the 208
pledgor's copy of the statement required under section 4727.07 of 209
the Revised Code, which copy shall be presented by the person to 210
the licensee. The licensee shall verify the name of the person 211
redeeming the article or property, ~~and~~ shall record the person's 212
name ~~and driver's license number, or other personal identification~~ 213
~~number,~~ on the licensee's copy of the statement, ~~and~~ shall require 214
the person to sign this copy, shall make a copy of the person's 215
personal identification card, and shall attach that copy to the 216
licensee's copy of the statement. 217

(C) In the event that any articles or property pledged are 218
lost or rendered inoperable due to negligence of the licensee, the 219
licensee shall replace the articles or property with identical 220
articles or property, except that if the licensee cannot 221
reasonably obtain identical articles or property, the licensee 222
shall replace the articles or property with like articles or 223
property. 224

(D) When an account is paid in full, the licensee shall 225
return the pledged article immediately to the pledgor. In the 226
event the pledgor sells, transfers, or assigns the pledge, the 227
licensee shall verify the name of the person redeeming the pledge 228
and record that person's name, ~~driver's license number,~~ and 229
signature on the permanent copy of the statement of pledge 230
required pursuant to section 4727.07 of the Revised Code and shall 231

make a copy of the person's personal identification card and 232
attach that copy to that statement. The licensee also shall obtain 233
the signature of the pledgor, or other person redeeming the 234
pledge, upon a separate record of the transaction, that 235
acknowledges the total dollar amount paid for redemption and the 236
date of redemption. All records shall be kept in the licensee's 237
place of business. 238

Sec. 4727.12. (A) A person licensed as a pawnbroker shall 239
retain any and all goods or articles pledged with the licensee 240
until the expiration of ~~seventy-two hours~~ seven days after the 241
pledge is made, and shall retain any goods or articles purchased 242
by the licensee until the expiration of ~~fifteen~~ thirty days after 243
the purchase is made. The licensee may dispose of such goods or 244
articles sooner with the written permission of the chief of police 245
of the municipal corporation or township in which the licensee's 246
place of business is located or, if the place of business is not 247
located within a municipal corporation or township that has a 248
chief of police, with the written permission of the sheriff of the 249
county in which the business is located. 250

(B) If the chief of police or sheriff to whom the licensee 251
makes available the information required by section 4727.09 of the 252
Revised Code has probable cause to believe that the article 253
described ~~therein~~ in the information is stolen property, the chief 254
or sheriff shall notify the licensee in writing. Upon receipt of 255
such a notice, the licensee shall retain the article until the 256
expiration of thirty days after the day on which the licensee ~~is~~ 257
~~first required to make available the information required by~~ 258
~~section 4727.09 of the Revised Code~~ received the notice, unless 259
the chief or sheriff notifies the licensee in writing that the 260
licensee is not required to retain the article until ~~such~~ the 261
expiration. 262

(C) If the chief or sheriff receives a report that property has been stolen and determines the identity of the true owner of the allegedly stolen property that has been purchased or pawned and is held by a licensee, ~~and informs the licensee of the true owner's identity, the licensee may restore the allegedly stolen property to the true owner directly.~~

~~If a licensee fails to restore the allegedly stolen property, the true owner may recover the property from the licensee in an action at law the chief or sheriff may seize the property by any lawful means and hold it as evidence. Except as provided in division (E) of this section, the chief or sheriff may release the property to the true owner after notifying the licensee of the identity of the true owner and of the chief's or sheriff's intent to return the property to the true owner.~~

(D) If the ~~licensee returns~~ the allegedly stolen property is returned to the true owner, the licensee may charge the person who pledged or sold the allegedly stolen property to the licensee, and any person who acted in consort with the pledgor or the seller to defraud the licensee, the amount the licensee paid or loaned for the allegedly stolen property, plus interest and storage charges provided for in section 4727.06 of the Revised Code.

(E)(1) A licensee may file a civil action to recover property removed from the licensee's custody under division (C) of this section not later than thirty days after the licensee receives notice from the chief or sheriff under division (C) of this section that the chief or sheriff intends to return the property to the true owner.

(2) The chief or sheriff shall return the property to its true owner if the licensee fails to file a civil action to recover the property within the time established in division (E)(1) of this section, and the property is no longer needed as evidence by the chief or sheriff.

(3) The chief or sheriff shall retain the property pending the order of the court rendering the final decision of the ownership of the property, if the licensee files a civil action to recover the property within thirty days of receiving the notice required under division (C) of this section. 295
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Sec. 4727.99. (A) Whoever violates sections 4727.03 to 300
~~4727.21~~ 4727.20 of the Revised Code is guilty of a misdemeanor of 301
the third degree on a first offense and a misdemeanor of the 302
second degree on each subsequent offense. 303

(B) Whoever violates section 4727.02 of the Revised Code is 304
guilty of a felony of the fifth degree. 305

Sec. 4728.01. As used in this chapter: 306

(A) "Personal identification card" has the same meaning as in section 4737.01 of the Revised Code. 307
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(B) "Precious metals dealer" means a person who is engaged in 309
the business of purchasing articles made of or containing gold, 310
silver, platinum, or other precious metals or jewels of any 311
description if, in any manner, including any form of advertisement 312
or solicitation of customers, the person holds himself, herself, 313
or itself out to the public as willing to purchase such articles. 314

~~(B)~~(C) "Superintendent of financial institutions" includes 315
the deputy superintendent for consumer finance as provided in 316
section 1181.21 of the Revised Code. 317

Sec. 4728.06. Every person licensed under this chapter shall 318
keep and use books and forms approved by the superintendent of 319
financial institutions, which shall disclose, at the time of each 320
purchase, a full and accurate description including identifying 321
letters or marks thereon of the articles purchased, with the name, 322
age, place of residence, ~~driver's or commercial driver's license~~ 323

~~number or other personal identification,~~ and a short physical 324
description of the person of the seller. The licensee also shall 325
write in the book the name of the maker and the name of the 326
licensee or licensee employee involved in the sale. The licensee 327
shall make a copy of the seller's personal identification card and 328
shall attach that copy to the form. The licensee shall also take 329
an impression of the seller's right or left thumb and attach that 330
impression to the form. If the seller has no thumbs, the licensee 331
shall take an impression of another digit, attach that impression 332
to the form, and note on the form the digit to which the 333
impression refers. The licensee shall keep the books in numerical 334
order at all times at the licensed location, open to the 335
inspection of the superintendent or chief of or head of the local 336
police department, a police officer deputed by the chief or head 337
of police, or the chief executive officer of the political 338
subdivision thereof. Upon demand of any of these officials, the 339
licensee shall produce and show an article thus listed and 340
described which is in the licensee's possession. 341

Sec. 4728.07. Each person licensed under Chapter 4728. of the 342
Revised Code, shall, every business day, make available to the 343
chief ~~or the head~~ of the local police department of the municipal 344
corporation or township in which the licensee's place of business 345
is located, or if the place of business is not located within a 346
municipal corporation or township that has a chief, then to the 347
sheriff of the county in which the place of business is located, 348
~~on forms furnished by the police department, a~~ the following 349
information on forms provided by the police department or 350
sheriff's office: 351

(A) An accurate description of all articles received by the 352
licensee on the business day immediately preceding, ~~together with~~ 353
~~the~~ including, if available, the name of the manufacturer, any 354
serial or model number, and any identifying mark, letter, or 355

feature; 356

(B) The number of the receipt issued to document the purchase; 357
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(C) The name and address of each person who sold property to the licensee, and an identification number from the person's personal identification card; 359
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(D) A physical description of each person who sold property to the licensee; 362
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(E) Except for the information described in division (C) of this section, the information provided pursuant to this section is a public record available for inspection under section 149.43 of the Revised Code. 364
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Sec. 4728.08. No person licensed under Chapter 4728. of the Revised Code shall purchase do any of the following: 368
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(A) Purchase any articles from any minor, ~~or~~ from any person intoxicated or under the influence of a controlled substance, from any person who is known or believed by the licensee to be a thief, or a receiver of stolen property, or from any person who fails to present a valid personal identification card; 370
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(B) Knowingly purchase any property that has had its serial number removed or otherwise defaced; 375
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(C) Purchase any property unless the seller provides a fingerprint at the time of the sale. 377
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Sec. 4728.09. (A) A person licensed under Chapter 4728. of the Revised Code shall retain in this state any articles purchased by ~~him~~ the person until the expiration of ~~five~~ thirty days after the date of purchase. 379
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(B) If the chief ~~or head~~ of the local police department or county sheriff to whom the licensee made available the information 383
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required by this chapter has probable cause to believe that the 385
article described ~~therein~~ in the information is stolen property, 386
~~he~~ the chief or sheriff shall notify the licensee in writing. Upon 387
receipt of notice, the licensee shall retain the article until the 388
expiration of thirty days after the day on which ~~he is first~~ 389
~~required to make available~~ the licensee received the ~~information~~ 390
notice required by this section, unless the chief or ~~the head of~~ 391
~~the local police department~~ sheriff notifies the licensee in 392
writing that ~~he~~ the licensee is not required to retain the article 393
until the expiration. 394

(C) If the chief or ~~the head of the local police department~~ 395
sheriff determines the identity of the true owner of the allegedly 396
stolen article, that has been purchased and held by a licensee, 397
~~and informs the licensee of the true owner's identity:~~ 398

~~(1) The licensee may restore the allegedly stolen article to~~ 399
~~its true owner directly.~~ 400

~~(2) The true owner may reimburse the licensee for the amount~~ 401
~~the licensee paid for the allegedly stolen article.~~ 402

~~(3) The true owner may recover the article and reasonable~~ 403
~~attorney fees from the licensee in an action at law~~ the chief or 404
sheriff may seize the property by any lawful means and hold it as 405
evidence. Except as provided in division (D) of this section, the 406
chief or sheriff may release the property to the true owner after 407
notifying the licensee of the identity of the true owner and of 408
the chief's or sheriff's intent to return the property to the true 409
owner. 410

(D) ~~If it is determined that the true owner of the allegedly~~ 411
~~stolen article, for whatever reason, chooses not to file a charge~~ 412
~~against the person or persons responsible for the theft, the~~ 413
~~licensee may charge the true owner of the allegedly stolen article~~ 414
~~the amount the licensee paid for the allegedly stolen article (1)~~ 415

A licensee may file a civil action to recover property removed 416
from the licensee's custody under division (C) of this section not 417
later than thirty days after the licensee receives notice from the 418
chief or sheriff that the chief or sheriff intends to return the 419
property to the true owner. 420

(2) The chief or sheriff shall return the property to its 421
true owner if the licensee fails to file a civil action to recover 422
the property within the time established in division (D)(1) of 423
this section, and the property is no longer needed as evidence by 424
the chief or sheriff. 425

(3) The chief or sheriff shall retain the property pending 426
the order of the court rendering the final decision of the 427
ownership of the property, if the licensee files a civil action to 428
recover the property within thirty days of receiving the notice 429
that the chief or sheriff intend to return the property to its 430
true owner. 431

Section 2. That existing sections 715.61, 4727.01, 4727.08, 432
4727.09, 4727.10, 4727.11, 4727.12, 4727.99, 4728.01, 4728.06, 433
4728.07, 4728.08, and 4728.09 and section 4727.21 of the Revised 434
Code are hereby repealed. 435