

FIRST REGULAR SESSION

HOUSE BILL NO. 40

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE SATER.

0091L.01I

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 367.055, RSMo, and to enact in lieu thereof one new section relating to pawnshops.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 367.055, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 367.055, to read as follows:

- 367.055. 1. **A law enforcement officer may request that a pawnbroker not sell property that is described on information furnished by the pawnbroker under subdivisions (1) to (4) of subsection 1 of section 367.031. Such request may be made verbally, electronically, or any other means designated by the law enforcement officer. If a law enforcement officer makes such request, the pawnbroker shall not sell or remove the property from the premises within seventy-two hours of the request.**
2. Upon request of a law enforcement officer to inspect property that is described in information furnished by the pawnbroker pursuant to subdivisions (1) to (4) of subsection 1 of section 367.031, the law enforcement officer shall be entitled to inspect the property described, without prior notice or the necessity of obtaining a search warrant during regular business hours in a manner so as to minimize interference with or delay to the pawnbroker's business operation. When a law enforcement officer has probable cause to believe that goods or property in the possession of a pawnbroker are misappropriated, the officer may place a hold order on the property. The hold order shall contain the following:
- (1) The name of the pawnbroker;
 - (2) The name and mailing address of the pawnshop where the property is held;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 (3) The name, title and identification number of the law enforcement officer placing the
18 hold order;

19 (4) The name and address of the agency to which the law enforcement officer is attached
20 and the claim or case number, if any, assigned by the agency to the claim regarding the property;

21 (5) A complete description of the property to be held including model and serial
22 numbers;

23 (6) The expiration date of the holding period.
24

25 The hold order shall be signed and dated by the issuing officer and signed and dated by the
26 pawnbroker or the pawnbroker's designee as evidence of the hold order's issuance by the officer,
27 receipt by the pawnbroker and the beginning of the initial holding period. **Such hold order may
28 be executed through a fax transmission. If the issuing officer executes the hold order by
29 fax, evidence of the hold order's issuance by the officer, receipt by the pawnbroker, and
30 the beginning of the initial holding period shall be when the issuing officer receives the
31 hold order from the pawnbroker. The faxed hold order shall be returned to the issuing
32 officer either by hand or by fax by the pawnbroker within the time designated by the
33 issuing officer, if provided.** The officer issuing the hold order shall provide an executed copy
34 of the hold order to the pawnbroker for the pawnbroker's record-keeping purposes at no cost to
35 the pawnbroker.

36 [2.] **3.** Upon receiving the hold order, and subject to the provisions of section 367.047,
37 the pawnbroker shall retain physical possession of the property subject to the order in a secured
38 area. The initial holding period of the hold order shall not exceed two months, except that the
39 hold order may be extended for up to two successive one-month holding periods upon written
40 notification prior to the expiration of the immediately preceding holding period. A hold order
41 may be released prior to the expiration of any holding period or extension thereof by written
42 release from the agency placing the initial hold order. The initial hold order shall be deemed
43 expired upon the expiration date if the holding period is not extended pursuant to this subsection.

44 [3.] **4.** Upon the expiration of the initial holding period or any extension thereof, the
45 pawnbroker shall deliver written notice to the law enforcement officer issuing the hold order that
46 such order has expired and that title to the property subject to the hold order will vest in the
47 pawnbroker in ten business days. Ownership shall only vest in the pawnbroker upon the
48 expiration of the ten-day waiting period subject to any restriction contained in the pawn contract
49 and subject to the provisions of sections 367.044 to 367.053. Vesting of title and ownership
50 shall be subject to any claim asserted by a claimant pursuant to section 367.044.

51 [4.] **5.** In addition to the penalty provisions contained in section 367.050, gross
52 negligence or willful noncompliance with the provisions of this section by a pawnbroker shall

53 be cause for the licensing authority to suspend or revoke the pawnbroker's license. Any imposed
54 suspensions or revocation provided for by this subsection may be appealed by the pawnbroker
55 to the licensing authority or to a court of competent jurisdiction.

56 [5.] 6 A county or municipality may enact orders or ordinances to license or regulate the
57 operations of pawnbrokers which are consistent with and not more restrictive than the provisions
58 of sections 367.011 to 367.055, except that municipalities located in any county with a charter
59 form of government having a population greater than one million inhabitants or any city not
60 within a county may regulate the number of pawnshop licensees.

61 [6.] 7. All records and information that relate to a pawnbroker's pawn, purchase or trade
62 transactions and that are delivered to or otherwise obtained by an appropriate law enforcement
63 officer pursuant to sections 367.031 and 367.040 are confidential and may be used only by such
64 appropriate law enforcement officer and only for the following official law enforcement
65 purposes:

66 (1) The investigation of a crime specifically involving the item of property delivered to
67 the pawnbroker in a pawn, purchase or trade transaction;

68 (2) The investigation of a pawnbroker's possible specific violation of the record-keeping
69 or reporting requirements of sections 367.031 and 367.040, but only when the appropriate law
70 enforcement officer, based on a review of the records and the information received, has probable
71 cause to believe that such a violation occurred; and

72 (3) The notification of property crime victims of where property that has been reported
73 misappropriated can be located.

✓