

ACT 208

H.B. NO. 2054-84

A Bill for an Act Relating to Pawnbrokers.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 445-133, Hawaii Revised Statutes, is amended to read as follows:

“§445-133 Conditions of license; interest, redemption, etc.; records. Every license shall be issued upon these express conditions which shall be set forth in the licenses:

- (1) That the licensee will not charge or receive interest at more than the rate of four per cent a month for any loan under \$20, nor at more than the rate of two per cent a month for any loan above \$20 and under \$100, nor at more than the rate of one per cent a month for any loan above \$100, nor exact any other gain, profit, or reward by charging commissions, discount, storage, or other charge, or by compounding interest or by any device increasing such interest, except a licensee may charge the following:
 - (A) A charge not exceeding \$1 may be made on any loan for not more than 30 days which does not exceed \$14.99;
 - (B) A charge not exceeding \$3 may be made on any loan for not more than 90 days of \$15 or more, but not exceeding \$24.99;
 - (C) A charge not exceeding \$5 may be made on any loan for not more than 90 days of \$25 or more, but not exceeding \$49.99;
 - (D) A charge not exceeding \$7.50 may be made on any loan for not more than 90 days on any loan of \$50.00 or more, but not exceeding \$74.99;
 - (E) A charge not exceeding \$10 may be made on any loan for not more than 90 days of \$75 or more, but not exceeding \$149.99;
- (2) That the licensee will not sell any article pledged to him and unredeemed within six months after the last day fixed by contract for redemption, nor make any such sale without publishing at least

- twice in a newspaper published in the county where he does business, or if there is no such newspaper, then in a newspaper published in Honolulu in English, at least ten days, and not more than thirty days, before such sale a notice describing the article, and specifying the time and place of sale;
- (3) That the licensee will disclose to the pledgor or his agent the name of the purchaser and the price received by him for any article so pledged and sold;
- (4) That the licensee will provide each pledgor, on the date the article is pledged, with a written contract signed by the licensee and pledgor both and specifying the terms and conditions under which the article is pledged and may be redeemed, date of commencement of interest on the loan, date of the last day for redemption, amount of the loan, rate of interest on or charge for the loan, and article pledged. One copy of each contract shall be retained by the licensee until the redemption of the article pledged or for one year after an unredeemed article is sold by the licensee;
- (5) That the licensee will provide each pledgor with a receipt on the date the pledgor makes a payment on an outstanding portion, including interest or charge, of a loan. The receipt shall include the amount paid, date of payment, balance outstanding after the payment, and article pledged by the pledgor for the loan. The licensee will not require, as a condition of issuance of a receipt, a pledgor to return a receipt previously issued to the pledgor;
- [(4)] (6) That he will keep a book in which shall be written the date, duration, amount, rate of interest of any loan made by him, an accurate description of the property pledged, and the name and residence of the pledgor[, a copy of which record shall be delivered to the pledgor]. A record of all sales made shall also be entered in the book. No entry in the book shall be erased, mutilated, or changed;
- [(5)] (7) That he will make out and deliver to the chief of police, or his authorized subordinate, of the county in which he carries on business, on or before twelve o'clock noon of the last business day of each week, a true and correct copy of all the entries [hereinabove] required under paragraph (6) to be made by him in the book concerning his transactions for that week and for the period since his last preceding report, which record shall be preserved by the chief of police and shall be open to the inspection of any person upon satisfactory showing to the chief of police that the inspection is desired for a proper purpose;

- [(6)] (8) That he will not receive any article by way of pawn or pledge from any minor, knowingly or with reason to believe such person a minor;
- [(7)] (9) That the books of the licensee, all contracts retained, all accounts of sales, the licensed premises, and all articles therein may at any time be examined by the chief of police or his authorized subordinate or the [treasurer,] director of finance of the county where the licensee transacts business, or by any person [representing] presenting to the licensee a written authorization so to do from the chief of police or his authorized subordinate or the [treasurer,] director of finance; and
- [(8)] (10) That he will forthwith notify the chief of police or his authorized subordinate of the county wherein he carries on business of any offer made by any person to pledge any articles which the licensee has reasonable cause to suspect have been stolen.

The omission of any of the foregoing conditions from the license shall not relieve the licensee from the obligation to comply with this section.”

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored.

SECTION 3. This Act shall take effect on January 1, 1985.

(Approved May 30, 1984.)