

TITLE 4: ECONOMIC RESOURCES
DIVISION 5: BUSINESS REGULATION

§ 5642. Pawnbroker Business License Required.

(a) No person shall engage in or conduct business as a pawnbroker, or advertise, transact, or solicit business as a pawnbroker except as authorized by this article and only after obtaining a pawnbroker's license from the Secretary of Commerce.

(b) No person shall be issued a pawnbroker's license if the applicant has been convicted of a felony, or a misdemeanor offense involving theft, fraud, or moral turpitude.

(c) A non-refundable annual license fee of \$500 shall be paid the secretary for a pawnbroker business license.

(d) Pawnbroker business licenses shall be valid for one year and may be renewed upon submission of a renewal application and payment of the annual license fee.

(e) Application for a pawnbrokers license and any renewal thereof shall be submitted on a form prescribed by the secretary, together with a police clearance from the court for the applicant, if a natural person, for any person having principal ownership in the business, and for each employee of applicant. The secretary may require any other information from the applicant as may be necessary to administer this article.

(f) The license application and any application for renewal shall be accompanied by the annual license fee and a financial statement of the applicant, prepared by an accounting firm, acceptable to the secretary showing net assets of at least \$75,000, fifty percent of which shall be in cash, for each place of business to be conducted by the licensee.

(g) Upon the filing of a business license application and the payment of the annual license fee, the secretary shall issue a pawnbroker business license to the applicant if the secretary finds that based on the financial standing, business experience, and character of the applicant the business will be operated honestly and fairly, and that the convenience and needs of the public justifies the operation of a pawnbroker's business in the community where the applicant proposes to operate. The license shall be effective for one year unless it is earlier surrendered, revoked, or suspended. If the secretary denies the license application, it shall notify the applicant of the denial in writing.

(h) A pawnbroker's license shall not be transferable or assignable to another person. A separate license application and fee must be filed and paid for each place of business.

(i) If a licensee proposes to change its place of business to another location, he shall first file a written request to the secretary, who may approve or deny the request. The request shall be in a form prescribed by the secretary.

(j) Before hiring any employee, the licensee must receive a police clearance from the court for such employee and shall submit such clearance to the secretary for approval.

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(k) A licensee shall submit the renewal application and pay the annual license fee to the secretary not later than 30 days before expiration of one's license. If a licensee fails to pay the fee and submit the renewal application, the secretary may impose a late penalty of five dollars per day, after expiration of one's license.

(l) No licensee may accept or receive any firearm or ammunition as pledge or pawn.

Source: PL 11-65, § 4 (5621), modified.