

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2007**

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**HOUSE BILL 1398**

Short Title: Pawn and Metal Transaction Database. (Public)

Sponsors: Representatives Hilton, R. Warren, Spear, Setzer (Primary Sponsors);  
Braxton, Brisson, Current, Faison, Folwell, Frye, Holloway, Hurley, Kiser,  
Moore, and Tarleton.

Referred to: Commerce, Small Business and Entrepreneurship, if favorable, Judiciary  
III.

April 12, 2007

A BILL TO BE ENTITLED

AN ACT REQUIRING THAT PAWNBROKERS AND SECONDARY METALS  
RECYCLERS REPORT INFORMATION ABOUT PAWN TRANSACTIONS  
AND METALS PURCHASES TO A STATEWIDE, ELECTRONIC REPORTING  
SYSTEM.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 66-11(b) is amended by adding a new subdivision to read:

"(4) A secondary metals recycler shall input and transmit the information recorded pursuant to subdivision (2) of this subsection using the electronic reporting system operated pursuant to G.S. 114-44 within 12 hours of purchasing regulated metals property. Reports containing incomplete information do not comply with this subdivision."

**SECTION 2.** G.S. 91A-7 of the General Statutes reads as rewritten:

"§ 91A-7. **Record keeping and reporting requirements.**

...

(f) A pawnbroker shall input and transmit the information recorded pursuant to subsection (b) of this section using the electronic reporting system operated pursuant to G.S. 114-44 within 12 hours of a pawn transaction or purchase. Reports containing incomplete information do not comply with this section."

**SECTION 3.** Chapter 114 of the General Statutes is amended by adding a new Article to read:

"Article 8.

"Statewide Pawn and Secondary Metals Transaction Database.

"§ 114-44. **Database established.**

The Department of Justice shall establish and administer an electronic database system for the reporting and storage of information recorded pursuant to G.S. 91A-7

1 and G.S. 66-11(b) relating to pawn transactions by pawnbrokers and regulated metals  
2 property purchases by secondary metals recyclers in the State. The database shall do all  
3 of the following:

- 4 (1) Allow pawn shops and secondary metals recyclers throughout the State  
5 to submit the information required by G.S. 91A-7.1 and  
6 G.S. 66-11(b)(4) to the database electronically.  
7 (2) Provide Internet-based access to the database to North Carolina law  
8 enforcement agencies.

9 **"§ 114-45. Rule-making authority.**

10 The Department of Justice shall adopt rules to implement this Article. The rules shall  
11 include:

- 12 (1) The establishment of fees for the use of the electronic reporting system  
13 which shall reflect the costs associated with providing electronic  
14 reporting system services to pawnbrokers and secondary metals  
15 recyclers.  
16 (2) Procedures to be used by pawnbrokers and secondary metals recyclers  
17 in the event that the database becomes temporarily inoperable.  
18 (3) Procedures to be used by pawnbrokers and secondary metals recyclers  
19 who do not possess the means to access the database electronically."

20 **SECTION 4.** This act becomes effective July 1, 2007.