

By the Committee on Agriculture and Consumer Services; and
Senator Geller

303-2210-02

1 A bill to be entitled
2 An act relating to pawnbroking; amending s.
3 539.001, F.S.; requiring certain classroom
4 education as a condition of licensure;
5 providing reporting and recordkeeping
6 requirements; prohibiting certain acts by
7 licensees and applicants; providing penalties;
8 providing effective dates.

9
10 Be It Enacted by the Legislature of the State of Florida:

11
12 Section 1. Paragraph (c) of subsection (3) and
13 paragraph (a) of subsection (4) of section 539.001, Florida
14 Statutes, are amended, paragraph (o) is added to subsection
15 (12) of that section, and subsection (22) is added to that
16 section, to read:

17 539.001 The Florida Pawnbroking Act.--

18 (3) LICENSE REQUIRED.--

19 (c) Each license is valid for a period of 1 year
20 unless it is earlier relinquished, suspended, or revoked. Each
21 license shall be renewed annually, and each licensee shall,
22 initially and annually thereafter, pay to the agency a license
23 fee of \$300 for each license held. At the time of renewal, the
24 licensee must certify to the department that it has completed
25 10 hours of classroom education on legal and ethical
26 considerations in pawnshop transactions, victims' rights,
27 safety and security, consumer and community relations, and the
28 laws and related rules of ss. 539.001-539.003. A person who
29 holds licenses for more than 40 pawnshops is exempt from the
30 provisions of this paragraph, provided that it files with the
31 department a certification attesting that it offers an

1 in-house training program that provides equivalent classroom
2 education.

3 (4) ELIGIBILITY FOR LICENSE.--

4 (a) To be eligible for a pawnbroker's license, an
5 applicant must:

6 1. Be of good moral character;

7 2. Have a net worth of at least \$50,000 or file with
8 the agency a bond issued by a surety company qualified to do
9 business in this state in the amount of \$10,000 for each
10 license. In lieu of the bond required in this section, the
11 applicant may establish a certificate of deposit or an
12 irrevocable letter of credit in a Florida banking institution
13 in the amount of the bond. The original bond, certificate of
14 deposit, or letter of credit shall be filed with the agency,
15 and the agency shall be the beneficiary to said document. The
16 bond, certificate of deposit, or letter of credit shall be in
17 favor of the agency for the use and benefit of any consumer
18 who is injured by the fraud, misrepresentation, breach of
19 contract, financial failure, or violation of any provision of
20 this section by the pawnbroker. Such liability may be enforced
21 either by proceeding in an administrative action or by filing
22 a judicial suit at law in a court of competent jurisdiction.
23 However, in such court suit, the bond, certificate of deposit,
24 or letter of credit posted with the agency shall not be
25 amenable or subject to any judgment or other legal process
26 issuing out of or from such court in connection with such
27 lawsuit, but such bond, certificate of deposit, or letter of
28 credit shall be amenable to and enforceable only by and
29 through administrative proceedings before the agency. It is
30 the intent of the Legislature that such bond, certificate of
31 deposit, or letter of credit shall be applicable and liable

1 only for the payment of claims duly adjudicated by order of
2 the agency. The bond, certificate of deposit, or letter of
3 credit shall be payable on a pro rata basis as determined by
4 the agency, but the aggregate amount may not exceed the amount
5 of the bond, certificate of deposit, or letter of credit;

6 3. Not have been convicted of, or found guilty of, or
7 pled guilty or nolo contendere to, or not have been
8 incarcerated within the last 10 years as a result of having
9 previously been convicted of, or found guilty of, or pled
10 guilty or nolo contendere to, regardless of adjudication, a
11 felony within the last 10 years and not be acting as a
12 beneficial owner for someone who has been convicted of, or
13 found guilty of, or pled guilty or nolo contendere to,
14 regardless of adjudication, a felony within the last 10 years;
15 ~~and~~

16 4. Not have been convicted of, or found guilty of, or
17 pled guilty or nolo contendere to, or not have been
18 incarcerated within the last 10 years as a result of having
19 previously been convicted of, or found guilty of, or pled
20 guilty or nolo contendere to, regardless of adjudication, a
21 crime that involves theft, larceny, dealing in stolen
22 property, receiving stolen property, burglary, embezzlement,
23 obtaining property by false pretenses, possession of altered
24 property, or any other fraudulent or dishonest dealing within
25 the last 10 years, and not be acting as a beneficial owner for
26 someone who has been convicted, of, or found guilty of, or
27 pled guilty or nolo contendere to, or has been incarcerated
28 within the last 10 years as a result of having previously been
29 convicted of, or found guilty of, or pled guilty or nolo
30 contendere to, regardless of adjudication, a crime that
31 involves theft, larceny, dealing in stolen property, receiving

1 | stolen property, burglary, embezzlement, obtaining property by
2 | false pretenses, possession of altered property, or any other
3 | fraudulent or dishonest dealing within the last 10 years; ~~and-~~

4 | 5. Certify to the department that it has completed 15
5 | hours of classroom education on legal and ethical
6 | considerations in pawnshop transactions, victims' rights,
7 | safety and security, consumer and community relations, and the
8 | laws and related rules of ss. 539.001-539.003. A person who
9 | holds licenses for more than 40 pawnshops is exempt from the
10 | provisions of this subparagraph, provided that it files with
11 | the department a certification attesting that it offers an
12 | in-house training program that provides equivalent classroom
13 | education. The provisions of this subparagraph apply to each
14 | initial application for licensure and to the first annual
15 | renewal of a license after the effective date of this act.

16 | (12) PROHIBITED ACTS.--A pawnbroker, or an employee or
17 | agent of a pawnbroker, may not:

18 | (o) Fail to prominently display a certificate of
19 | completion of classroom education at each pawnshop.

20 | (22) CLASSROOM EDUCATION AND RECORDKEEPING.--

21 | (a) The Florida Pawnbrokers Association, Inc., is
22 | authorized to offer classroom education to persons licensed as
23 | pawnbrokers and persons seeking such licensure, subject to the
24 | following:

25 | 1. The Florida Pawnbrokers Association shall keep an
26 | accurate record of the classroom education information for
27 | those persons attending and shall furnish to the department a
28 | list of those individuals who have successfully completed the
29 | classroom education requirement for initial licensure as a
30 | pawnbroker or who are in compliance with the
31 | continuing-education requirement for continued licensure as a

1 pawnbroker. This list shall be furnished to the department
2 quarterly or at such other intervals as the department
3 requires.

4 2. At a minimum, 50 percent of the required hours must
5 be satisfied by attendance at a live lecture or live seminar.

6 3. The Florida Pawnbrokers Association, Inc., shall
7 furnish to each person who successfully completes the
8 applicable classroom education requirements certificates
9 suitable for display certifying such completion and in
10 sufficient quantities for the person to display in each
11 pawnshop owned by that person.

12 (b) The department may accept classroom education
13 provided by other persons if it determines that that education
14 is equivalent to the education provided under paragraph (a).

15 Section 2. This act shall take effect July 1, 2002,
16 except that paragraph 539.001(12)(o), Florida Statutes, shall
17 take effect December 31, 2002.

18
19 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
20 COMMITTEE SUBSTITUTE FOR
21 Senate Bill 2208

22 The Committee Substitute for Senate Bill 2208 is different
23 from Senate Bill 2208 in that it:

- 24 1. Deletes definitions for "certified pawnshop" and
"certified pawnshop manager".
- 25 2. Revises educational requirements for pawnshop licensees.
- 26 3. Exempts anyone who holds licenses for more than 40
27 pawnshops from the bill's education requirements, after
proof that an in-house training program is provided.
- 28 4. Deletes fees.
- 29 5. Revises how required education would be provided.
30 Authorizes the Florida Pawnbrokers Association, as well
as any person who can provide equivalent instruction, to
31 offer the classroom education.