

2016 -- H 7027

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

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A N A C T

RELATING TO FINANCIAL INSTITUTIONS - PAWNBROKERS LIABILITY FOR
SELLING STOLEN GOODS

Introduced By: Representatives Bennett, McNamara, Hull, Carnevale, and Williams

Date Introduced: January 07, 2016

Referred To: House Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 19-26 of the General Laws entitled "Pawnbrokers" is hereby
2 amended by adding thereto the following section:

3 **19-26-20. Pawn shop owner liability.** – (a) The sale of a chattel by the owner of a pawn
4 shop, or their agent, shall be accompanied by an absolute warranty that the pawn shop owner was
5 lawfully in possession of the item sold and as such the item could lawfully be resold. A purchaser
6 finding otherwise shall be entitled to a full refund of the purchase price and interest at the rate of
7 twelve percent (12%) per year from the date of sale.

8 (b) A pawn shop owner failing to provide a refund of the purchase price and interest upon
9 demand and proof provided by the purchaser which references a law enforcement report shall be
10 subject to a civil action for return of the purchase price, interest, and costs, including, but not
11 limited to, reasonable attorney's fees, and a criminal action for sale of stolen property, the penalty
12 for which shall be a fine of two thousand dollars (\$2,000) and/or imprisonment for a period of
13 one year, and their license shall become void.

14 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO FINANCIAL INSTITUTIONS - PAWNBROKERS LIABILITY FOR
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- 1 This act would impose upon pawnbrokers the requirement to refund, with interest, to the
- 2 buyer the purchase price of any item sold which is determined to be stolen property.
- 3 This act would take effect upon passage.

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