



Senate Fiscal Agency
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Senate Bill 1138 (as introduced 11-6-14)
Sponsor: Senator Randy Richardville
Committee: Regulatory Reform

Date Completed: 11-13-14

CONTENT

The bill would amend Public Act 273 of 1917, which regulates pawnbrokers, to revise the monthly usage fee that a pawnbroker may charge for unencumbered personal property pawned or pledged and used by the pawner during the term of the pawn or pledge.

The Act allows a pawnbroker to agree in writing, after pledged or pawned unencumbered personal property has been deposited with the pawnbroker, to allow the person who pledged or pawned the property (the pawner) to maintain possession and use of it during the term of the pawn or pledge transaction. A pawnbroker may charge \$1 per month or fraction of a month for a usage fee for pawned or pledged property used by the pawner during the term of the pawn or pledge. Under the bill, a pawnbroker instead could charge 20% per month for a usage fee.

MCL 446.208 & 446.209

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: John Maxwell

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