

# HOUSE RESEARCH

## Bill Summary

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**Subject:** Regulation of pawnbrokers

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### Overview

This bill involves pawnbrokers. Pawnbrokers are not licensed or regulated directly by the state. Instead, state law contains a set of laws that local governments (town, city, or county) may adopt to license and regulate pawnbrokers. If a local government adopts an ordinance to regulate pawnbrokers, it must adopt the state law as a minimum, but may adopt tougher or additional local ordinances. This bill amends three of those state laws.

- 1 **Records; prohibitions.** Permits a pawn shop to remove unredeemed pawned items from the pawn shop or approved storage place without selling the items, so long as the redemption period has expired. Permits pawnbrokers to: (1) return pawned goods to the borrower during the redemption period; (2) sell pledged goods or remove them from the pawnshop or other storage after the redemption period ends; and (3) if the pawnbroker buys goods other than through a pawn transaction, sell pledged goods or remove purchased goods from the pawnshop or other storage 31 days or later from the purchase date.
- 2 **Pawnshop location.** Current law prohibits locating a pawnshop within ten driving miles of a casino. This section would change it to 1,500 feet.
- 3 **Ordinances; consistency.** Requires a local ordinance to be the same as the state statute with regard to two provisions in section 1: paragraph 7, which requires a pawnbroker to return pledged goods or pay for them upon payment in full unless it is more than 60 days after the redemption date or law enforcement has taken the goods into custody; and paragraph 10, described in section 1 above.