

REVENUE: No revenue impact
FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	10 - 0 - 0
Yeas:	Barton, Cameron, Edwards C., Esquivel, Holvey, Kennemer, Matthews, Thatcher, Witt, Schaufler
Nays:	0
Exc.:	0
Prepared By:	Theresa Van Winkle, Administrator
Meeting Dates:	3/13, 3/27, 4/8

WHAT THE MEASURE DOES: Authorizes changes in fees a pawnbroker may collect for a lost, stolen, or destroyed pawn ticket or memorandum form; storage, firearms required to be registered under federal law. Provides that the pawnbroker and pledgor may agree on a 60-day renewal period for pledge loans. Requires certain notices to be mailed to the pledgor before the pawnbroker may deem a pledge to be forfeited. Permits local government that regulates pawnbrokers to impose a maximum fee of one dollar for each pledge loan made, except for renewing a pledge loan, for the purpose of administering and enforcing local government systems of tracking pledge articles. Allows the pawnbroker to charge the pledgor only the fee amount imposed by the city or county.

ISSUES DISCUSSED:

- Whether businesses that sell items second hand or consignment are affected by the measure
- Law enforcement activities related to pawnbroker shops, i.e. stolen items being pawned
- How pawnbrokers are regulated in Oregon
- City of Eugene second-hand merchandise fee

EFFECT OF COMMITTEE AMENDMENT: Restores the fee that can be charged for firearms required to be registered under federal law and the fee for a lost, stolen, or destroyed pawn ticket or memorandum to \$3. Clarifies that the pawnbroker may not charge a fee that renews the pledgor's or customer's placement of the firearm with the pawnbroker, but can charge any fee that a government entity imposed on the pawnbroker for holding or transferring a firearm. Modifies the criteria for when a notice must be mailed via regular mail or by certified mail, return receipt requested. Requires the pawnbroker to keep a copy of each notice sent by regular or certified mail, along with the certified return receipt or returned envelope, for at least two years. Requires the pledgor to bear the postal costs and a reasonable charge for preparing a notice for delivery via certified mail. Permits local government that regulates pawnbrokers to impose a maximum fee of one dollar for each pledge loan made, except for renewing a pledge loan, for the purpose of administering and enforcing local government systems of tracking pledge articles. Allows the pawnbroker to charge the pledgor only the fee amount imposed by the city or county.

BACKGROUND: A pawnbroker is defined as a person who lends money at a higher rate of interest than ten percent per year and takes a pledge of personal property; other than vehicles required to be registered with the Department of Motor Vehicles, securities, or printed evidences of indebtedness. There are currently 70 licensed pawnbrokers in Oregon, who are regulated by the Department of Consumer and Business Services Division of Finance and Corporate Securities.

HB 2753-A makes adjustments to pawnbrokers' statutory regulations. According to the Oregon Pawnbrokers' Association, the last major changes were made during the 1997 Legislative Assembly.