

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass
Vote:	5 - 0 - 0
Yeas:	Burdick, George, Girod, Rosenbaum, Bonamici
Nays:	0
Exc.:	0
Prepared By:	Lori Brocker, Administrator
Meeting Dates:	2/11

WHAT THE MEASURE DOES: Clarifies that successive pledge loan renewal agreement between pawnbroker and pledgor may be 60 days or longer. Defines loan renewal to include payment of portion of principal, interest and fees provided loan renewal acceptance is on same pledge on same day. Specifies that grace period for pledgor begins 30 days after mailing date of, rather than delivery of, redemption or renewal notice for certain pledge loans. Declares an emergency; effective on passage.

ISSUES DISCUSSED:

- Provisions of the measure

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: A pawnbroker provides secured loans using personal property as collateral for the loan. When a person, or pledgor, pawns an item for loan, there generally is a contractual period during which the person may purchase the item back for the amount of the principal, accrued interest and any applicable fees. If the loan is not paid during the contractual period, the pawnbroker may sell the item.

HB 3629 clarifies that pledge loan agreement renewals may be for 60 days or longer. The loan renewal may be made upon agreement by the pledgor to pay only the interest and fees on the loan, or to pay a portion of the principal plus interest and fees, provided that the new pledge loan is accepted on the same pledge on the same day. HB 3629 also provides that the 30-day grace period for certain pledge loans begins after mailing, not on delivery, of the notice.