

**REVENUE:** No revenue impact

**FISCAL:** No fiscal impact

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<b>Action:</b>	Do Pass with Amendments to the A-Engrossed Measure. (Printed B-Engrossed)
<b>Vote:</b>	3 - 0 - 2
<b>Yeas:</b>	Monnes Anderson, Prozanski, Shields
<b>Nays:</b>	0
<b>Exc.:</b>	Baertschiger Jr, George
<b>Prepared By:</b>	Channa Newell, Administrator
<b>Meeting Dates:</b>	2/19, 2/24

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**WHAT THE MEASURE DOES:** Permits pawnbroker to charge \$1 fee to renew placement of firearm. Changes delivery method of notice to pledgor at risk of forfeiting pledge securing loan of at least \$1,500 from certified mail to regular mail. Adds 30-day grace period to redeem or renew if loan is less than \$500. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Application of local jurisdiction authority
- Current pawnbroker practices when processing jewelry
- 30-day grace period for expired loans
- Use of pawnbrokers for firearm storage
- Updated notice requirements
- Effects of amendment

**EFFECT OF COMMITTEE AMENDMENT:** Retains existing statutes allowing local jurisdictions to require pawnbrokers who deal in second-hand precious metals to supply jurisdiction with photographs of precious metal items.

**BACKGROUND:** Pawnbrokers are regulated and licensed by the Department of Consumer and Business Services through ORS Chapter 726. Statute requires a pawnbroker keep a register of transactions that includes the name and address of the pledgor, an identifying description of the pledged item, the amount of the loan, and other specified information. Chapter 726 limits the interest and fees that a pawnbroker may charge a pledgor and specifies the notice procedure when a pledgor is at risk of forfeiting the pledged item. Currently, after notice of forfeiture is mailed to a pledgor, there is no grace period for renewal of loans under \$500.

House Bill 4011-B allows a pawnbroker to charge a \$1 fee to renew placement of a firearm. It also allows the use of regular mail, rather than certified mail, to send notice of forfeiture on pledges securing loans greater than \$1,500. Finally, the measure provides a grace period in which to renew a loan or redeem the pledge to either 30 days after the pledge loan expires or 30 days after the mailing date of the notice, whichever is later.