

# HOUSE BILL No. 5045

July 25, 1991, Introduced by Rep. Clack and referred to the Committee on State Affairs.

A bill to amend sections 5, 8, 10, 11, 13, and 19 of Act No. 273 of the Public Acts of 1917, entitled

"An act to regulate and license pawnbrokers in cities and incorporated villages of this state, having a population of more than 3,000,"

being sections 446.205, 446.208, 446.210, 446.211, 446.213, and 446.219 of the Michigan Compiled Laws; and to repeal certain parts of the act.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 5, 8, 10, 11, 13, and 19 of Act No. 273  
2 of the Public Acts of 1917, being sections 446.205, 446.208,  
3 446.210, 446.211, 446.213, and 446.219 of the Michigan Compiled  
4 Laws, are amended to read as follows:

5 Sec. 5. (1) Every ~~such~~ pawnbroker shall keep a book ~~to~~  
6 ~~be inspected by the chief of police or chief police officer of~~  
7 ~~the city or village~~ in which shall be written in English, at the

1 time ~~he shall receive~~ THE PAWNBROKER RECEIVES any article of  
2 personal property ~~or~~ or other valuable thing by way of pledge,  
3 ~~or~~ pawn, PURCHASE, OR EXCHANGE, a description of ~~such~~ THE  
4 article, A SEQUENTIAL TRANSACTION NUMBER, ~~the~~ ANY amount of  
5 money loaned ~~thereon, the rate of interest to be paid on such~~  
6 ~~loan,~~ ON THE ARTICLE, the name, residence, ~~and~~ general  
7 description, AND DRIVER LICENSE NUMBER OR OFFICIAL STATE PERSONAL  
8 IDENTIFICATION CARD NUMBER of the person from whom THE ARTICLE  
9 WAS RECEIVED, and the day and hour ~~when such property~~ THE  
10 ARTICLE was received. ~~, and such~~ THE book, and the place where  
11 ~~such~~ THE business is carried on, and all articles of property  
12 ~~therein~~ IN THAT PLACE, shall be subject to examination at any  
13 time by the ~~mayor, president,~~ city attorney, ~~or other police~~  
14 ~~officer of such city or village~~ LOCAL POLICE AGENCY, or by the  
15 COUNTY prosecuting attorney ~~or the sheriff or other police~~  
16 ~~officer~~ of the county in which ~~said~~ THE city or village is  
17 situated AND THE DEPARTMENT OF STATE POLICE.

18 (2) EVERY LICENSED PAWNBROKER, WHEN HE OR SHE RECEIVES ANY  
19 ARTICLE OF PERSONAL PROPERTY, OR OTHER VALUABLE THING BY WAY OF  
20 PLEDGE, PAWN, PURCHASE, OR EXCHANGE, SHALL MAKE A PERMANENT  
21 RECORD OF THE TRANSACTION ON A FORM PROVIDED BY THE DEPARTMENT OF  
22 STATE POLICE. EACH RECORD OF TRANSACTION SHALL BE COMPLETED IN  
23 TRIPLICATE BY THE LICENSED PAWNBROKER, LEGIBLY IN INK IN THE  
24 ENGLISH LANGUAGE, AND SHALL CONTAIN ALL APPLICABLE INFORMATION  
25 REQUIRED TO COMPLETE THE RECORD OF TRANSACTION FORM DESCRIBED IN  
26 SUBSECTION (4).

1       (3) THE PAWNBROKER SHALL RETAIN 1 COPY OF THE RECORD OF  
2 TRANSACTION AND, WITHIN 48 HOURS AFTER THE PROPERTY IS RECEIVED,  
3 SHALL SEND THE REMAINING COPIES TO THE LOCAL POLICE AGENCY AND  
4 THE DEPARTMENT OF STATE POLICE.

5       (4) THE RECORD OF TRANSACTION FORM SHALL BE 3 BY 5 INCHES IN  
6 SIZE AND SHALL BE AS FOLLOWS:

**RECORD OF TRANSACTION  
FRONT**

3 ARTICLE 4 5 MODEL NO. OR CASE NO. 6 7 TRADE NAME 8 9 MATERIAL 10 11 DESCRIPTION 12 13 14 INSCRIPTION OR INITIALS 15 16 PURCHASE PRICE    AMT. LOANED 17       OR EXCHANGE       AND RATE 18       VALUE               OF INTEREST 19 DEALER 20 21 CITY 22 23 24 WOMAN'S [ ]       MAN'S [ ] 25 WRIST [ ] POCKET [ ] LAPEL [ ]	SERIAL NO. LENS NO. OR MOVE. NO. COLOR    SIZE    NO. JEWELS STONE SET DESIGN NO.    KIND OF STONE    SIZE DATE    TICKET NO. SIGNATURE OF PERSON TAKING PRINT
---	--

**BACK**

27 OPERATOR'S LICENSE # OR OFFICIAL STATE PERSONAL I. D. #

28 CUSTOMER'S NAME (PRINT) 29 30 CITY AND STATE 31 32 AGE 33 34 HEIGHT 35 36 WEIGHT 37 38 RACE: 39 W   B   O 40 [ ] [ ] [ ] 41 42 TIME 43 RECEIVED 44 45 M       F 46 [ ]    [ ] 47	ADDRESS EMPLOYED BY: ROLLED PRINT OF RIGHT THUMB (IF IMPOSSIBLE THEN SOME OTHER FINGERPRINT. DESIGNATE WHICH.)
--	---

1       Sec. 8. A pawnbroker, at the time of ~~such loan~~ RECEIVING  
2 AN ARTICLE BY PAWN OR PLEDGE, shall deliver to the person pawning  
3 or pledging ~~any goods,~~ THE article ~~or thing,~~ a memorandum ~~or~~  
4 ~~note signed by him, containing the substance of the entry~~  
5 ~~required to be made by him in his book by section 6. No charge~~  
6 ~~shall be made or received by any pawnbroker for any such entry,~~  
7 ~~memorandum or note.~~ TO BE USED BY THE PERSON TO REDEEM THE  
8 ARTICLE. The memorandum ~~or note shall be consecutively numbered~~  
9 ~~and upon its back shall be~~ CONTAIN THE FOLLOWING WORDS printed  
10 in English in type as large as that in which the public acts of  
11 this state are printed: ~~, the following words:~~ "If interest or  
12 charges in excess of 3% per month, plus storage charges  
13 ~~hereinafter provided,~~ are asked or received, this loan is void  
14 and of no effect. ~~, and the~~ THE borrower cannot be made to pay  
15 back the money loaned or any interest, or any charges or any part  
16 ~~thereof, and the~~ OF THE MONEY LOANED, INTEREST, OR CHARGES.  
17 THE pawnbroker loses all right to the possession of the goods,  
18 article, or thing pawned, and shall surrender the ~~same~~ GOODS,  
19 ARTICLE, OR THING PAWNED to the borrower or pawner upon ~~due~~  
20 demand ~~therefor~~ FOR THEM." THE MEMORANDUM SHALL CONTAIN THE  
21 SAME TRANSACTION NUMBER AS RECORDED IN THE PAWNBROKER'S BOOK AT  
22 THE TIME THE ARTICLE WAS PAWNED OR PLEDGED.

23       Sec. 10. ~~No~~ A pawnbroker shall NOT sell any ~~pawn or~~  
24 ~~pledge~~ PAWNED OR PLEDGED ARTICLE, OR ANY ARTICLE THAT THE PAWN-  
25 BROKER HAS RECEIVED BY PURCHASE OR EXCHANGE, until the ~~same~~  
26 ~~shall have~~ ARTICLE HAS remained ~~6 months in his~~ IN THE  
27 PAWNBROKER'S possession NOT LESS THAN 30 DAYS IN A PLACE IN THE

1 SAME BUILDING IN WHICH THE ARTICLE WAS RECEIVED BY PAWN, PLEDGE,  
2 PURCHASE, OR EXCHANGE, THAT IS EASILY ACCESSIBLE TO INSPECTION BY  
3 THE PERSONS AND AGENCIES PRESCRIBED IN SECTION 5. THE PAWNBRO-  
4 KER, WITHIN 24 HOURS AFTER RECEIVING AN ARTICLE, SHALL ATTACH TO  
5 THE ARTICLE A TAG CONTAINING THE TRANSACTION NUMBER ASSIGNED TO  
6 THAT PLEDGE OR PAWN. ~~-, and all such sales shall be at public~~  
7 ~~auction to the highest bidder, and not otherwise. Such sale~~  
8 ~~shall be held under the direction and control of the pawnbroker~~  
9 ~~and in his regularly established place of business. Notice of~~  
10 ~~such sale shall be published for at least 6 days previous thereto~~  
11 ~~in + of the daily newspapers to be designated by the mayor or~~  
12 ~~president, published in English, in the city or village where the~~  
13 ~~business is carried on: Provided, That if there be no daily~~  
14 ~~newspaper in such city or village, said notice shall be published~~  
15 ~~at least 2 successive weeks, in a weekly newspaper, to be desig-~~  
16 ~~nated by the mayor or president, published in English, in such~~  
17 ~~city or village. Such notice shall specify the time and place at~~  
18 ~~which such sale is to take place and by whom it is to be con-~~  
19 ~~ducted, and shall contain the same description of the articles or~~  
20 ~~goods to be sold as was given in the memorandum or note delivered~~  
21 ~~to the pawner under section 8 of this act, and shall give the~~  
22 ~~number of such memorandum or note. An affidavit of the printer~~  
23 ~~of such paper or of his foreman, or his principal clerk, annexed~~  
24 ~~to a printed copy of such notice taken from the paper in which it~~  
25 ~~was published and specifying the times when and papers in which~~  
26 ~~it was published, shall be filed after the last day of such~~  
27 ~~publication and before the day fixed for such sale with the~~

~~1 county clerk of the county in which such sale is held. Such~~  
~~2 affidavit shall be kept in the office of the said county clerk as~~  
~~3 a public document, and open to the inspection of any person. A~~  
~~4 fee of 50 cents shall be paid by the party filing such affidavit~~  
~~5 to the county clerk for the filing of the same.~~

6       Sec. 11. The borrower, at any time ~~prior to~~ BEFORE the  
7 sale, may pay or tender to the pawnbroker the debt OWED ON A  
8 PAWNED OR PLEDGED ARTICLE and interest and charges. ~~thereon,~~  
9 ~~together with the cost of advertising the sale, if the sale has~~  
10 ~~been advertised.~~ The payment or tender shall reinvest the pawner  
11 with the title and right of possession to the property pledged.

12       Sec. 13. (1) ~~No~~ A pawnbroker shall NOT deface, scratch,  
13 obliterate, melt, separate, or break into parts any ~~particle or~~  
14 ~~thing~~ ARTICLE received by ~~him~~ THE PAWNBROKER in pawn or other-  
15 wise, or in any manner do, cause, or ~~suffer~~ ALLOW to be done by  
16 others, anything which ~~shall destroy or tend~~ DESTROYS OR TENDS  
17 to destroy the identity of ~~such~~ THE article or render the iden-  
18 tification ~~thereof~~ OF THE ARTICLE more difficult.

19       (2) A PAWNBROKER SHALL NOT ACCEPT BY WAY OF PLEDGE, PAWN,  
20 PURCHASE, OR EXCHANGE ANY ARTICLE THAT CUSTOMARILY BEARS A  
21 MANUFACTURER'S SERIAL NUMBER OR OTHER IDENTIFYING INSIGNIA UNLESS  
22 THE NUMBER OR INSIGNIA IS PLAINLY VISIBLE ON THE ITEM.

23       Sec. 19. Upon ~~any such~~ conviction PURSUANT TO SECTION 18  
24 of any person doing business as a pawnbroker under the provisions  
25 of this act, or ~~on~~ conviction of any clerk, agent, servant, or  
26 ~~employee~~ EMPLOYEE of any such person, the license of ~~such~~  
27 ~~person shall forthwith~~ THE PAWNBROKER MAY be revoked by the

1 mayor of the city or president of the village, and no part of the  
2 PAWNBROKER'S license fee ~~of such party~~ shall be returned to  
3 ~~him~~ THE PAWNBROKER, and no further license as a pawnbroker  
4 shall be granted to ~~such person~~ THE PAWNBROKER for the period  
5 of 1 year ~~from~~ AFTER the date of ~~such~~ THE revocation.

6 Section 2. Sections 6, 12, and 17 of Act No. 273 of the  
7 Public Acts of 1917, being sections 446.206, 446.212, and 446.217  
8 of the Michigan Compiled Laws, are repealed.

9 Section 3. This amendatory act shall not take effect unless  
10 Senate Bill No. \_\_\_\_\_ or House Bill No. 5046 (request  
11 no. 03308'91 a) of the 86th Legislature is enacted into law.