

# HOUSE BILL No. 5306

October 31, 1991, Introduced by Rep. Clarke and referred to the Committee on State Affairs.

A bill to amend section 9 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 section 446.209 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. Section 9 of Act No. 273 of the Public Acts of  
2 1917, being section 446.209 of the Michigan Compiled Laws, is  
3 amended to read as follows:

4       Sec. 9. (1) A ~~licensed~~ pawnbroker may charge upon any  
5 loan a rate of interest not to exceed ~~3%~~ 4% per month, except  
6 that he OR SHE is not required to accept any interest less than  
7 ~~50 cents~~ \$2.00 on a single loan. A pawnbroker may also charge  
8 50 cents per month or fraction ~~thereof~~ OF A MONTH for the

1 storage of property, except jewelry, after 30 days but for not  
2 more than 4 months ~~—~~ under any single pledge or pawn. ~~No~~

3 (2) A pawnbroker or HIS OR HER agent or employee ~~thereof~~  
4 shall NOT make a loan upon any deposit, pawn, or pledge at a rate  
5 of interest and charge or receive ~~therefor~~ FOR THE PAWN OR  
6 PLEDGE in excess of the amounts provided for in this act.

7 Interest on any loan shall not be payable in advance ~~—~~ and  
8 shall be computed on unpaid monthly balances only, but without  
9 compounding.

10 (3) A pawnbroker ~~is not entitled to any~~ SHALL NOT CHARGE  
11 AN examination fee or ~~to make any charge~~ A FEE in excess of the  
12 amounts provided for in this act.