



**House
Legislative
Analysis
Section**

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PAWNBROKER FORMS

**House Bill 4781 with committee
amendments
First Analysis (5-20-93)**

**Sponsor: Rep. Joseph Young, Jr.
Committee: State Affairs**

THE APPARENT PROBLEM:

Currently, under the pawnbrokers, secondhand dealers, and junk dealers act (Public Act 231 of 1945), when pawnbrokers, secondhand dealers, or junk dealers accept or acquire certain pawned articles they must take duplicate thumbprints of the person pawning the article and, within 48 hours, send one copy of the fingerprint to the local chief of police or sheriff, along with a statement of the nature of the property received, and the second copy of the print (along with the same statement) to the state police in East Lansing.

THE CONTENT OF THE BILL:

The bill would amend Public Act 231 of 1945 to do the following:

- * require that pawnbrokers, secondhand dealers, and junk dealers complete a record of the transaction containing certain information and take a single fingerprint (usually of the right thumb). (Currently, the act requires that two fingerprints be taken.) The form would have to be substantially the same as that specified in the bill, and a copy would have to be sent within 48 hours to the chief of police or to the sheriff;
- * delete the requirement that a copy of the fingerprint, along with a statement of the nature of the property received, be sent to the state police; and
- * repeal two existing sections of the act, one that requires pawnbrokers, secondhand dealers, and junk dealers to send written statements to the state police regarding their business (MCL 445.473) and the other requiring the commissioner of the state police to provide fingerprint forms (MCL 445.474).

MCL 445.472, 445.473, and 445.474

FISCAL IMPLICATIONS:

Fiscal information is not currently available. (5-19-93)

ARGUMENTS:

For:

The bill would repeal an unnecessary and duplicative reporting process. Since the state police can have access to local law enforcement records, there is no need to have fingerprints and statements of property received by pawnbrokers, secondhand dealers, or junk dealers also sent to the state police. The bill also would specify a model form to be filled out when pawnbrokers, secondhand dealers, or junk dealers received property. The form would require, in addition to a description of the received property, the dealer's name, the purchase price of the property, the amount loaned, the date, and the customer's driver's license number or other I.D. number, name, address, employer, age, sex, weight, and race, as well as the signature of the person taking the fingerprint. Finally, the bill would remove from the state police the responsibility for providing the fingerprint forms, a function that would be taken over by the private sector.

Against:

Currently, under the pawnbrokers' act (Public Act 273 of 1917) pawnbrokers must keep books (to be inspected by the chief of police) containing a description of any pawned article, the amount of money loaned, the rate of interest to be paid, the name, address, and general description of the customer, and when the property was received. Perhaps the form proposed in the bill also should require a statement of the interest rate.

Response:

The bill would amend another, though related, act regulating pawnbrokers, and so would not affect the section of the pawnbrokers act (MCL 446.205) that requires a statement of the interest rate on pawned items.

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POSITIONS:

A representative of the Department of State Police testified in support of the bill. (5-19-93)