

SENATE BILL NO. 361

INTRODUCED BY TOWE

IN THE SENATE

FEBRUARY 11, 1993

INTRODUCED AND REFERRED TO COMMITTEE
ON BUSINESS & INDUSTRY.

FIRST READING.

FEBRUARY 19, 1993

COMMITTEE RECOMMEND BILL
DO PASS AS AMENDED. REPORT ADOPTED.

FEBRUARY 20, 1993

PRINTING REPORT.

SECOND READING, DO PASS.

FEBRUARY 22, 1993

ENGROSSING REPORT.

THIRD READING, PASSED.
AYES, 46; NOES, 2.

TRANSMITTED TO HOUSE.

IN THE HOUSE

FEBRUARY 23, 1993

INTRODUCED AND REFERRED TO COMMITTEE
ON BUSINESS & ECONOMIC DEVELOPMENT.

FIRST READING.

MARCH 10, 1993

COMMITTEE RECOMMEND BILL BE
CONCURRED IN AS AMENDED. REPORT
ADOPTED.

MARCH 13, 1993

SECOND READING, CONCURRED IN.

MARCH 16, 1993

THIRD READING, CONCURRED IN.
AYES, 84; NOES, 16.

MARCH 17, 1993

RETURNED TO SENATE WITH AMENDMENTS.

IN THE SENATE

MARCH 18, 1993

RECEIVED FROM HOUSE.

MARCH 19, 1993

SECOND READING, AMENDMENTS
CONCURRED IN.

MARCH 20, 1993

THIRD READING, AMENDMENTS

CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 Senate BILL NO. 361
2 INTRODUCED BY Mr. [unclear]
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR A CIVIL
5 REMEDY FOR A PERSON CHARGED EXCESS INTEREST OR AN EXCESS
6 CHARGE BY A PAWNBROKER OR JUNK DEALER; PROVIDING FOR
7 RECOVERY OF REASONABLE ATTORNEY FEES AND AN AMOUNT DOUBLE
8 THE EXCESS CHARGE; AND AMENDING SECTION 31-1-401, MCA."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 **Section 1.** Section 31-1-401, MCA, is amended to read:

12 "31-1-401. Interest pawnbrokers may receive -- civil
13 enforcement. (1) No A person may not carry on the business
14 of pawnbroker or junk dealer by receiving goods pawned or in
15 pledge for loans at any rate of interest above 10% a year
16 without first obtaining a license. A pawnbroker or junk
17 dealer or his the pawnbroker's or junk dealer's employees or
18 agents may not charge more than 3% a month for interest,
19 commission, discount, storage, and caring for property
20 pledged.

21 (2) The taking, receiving, reserving, or charging a
22 rate of interest greater than that allowed under subsection
23 (1) is considered a forfeiture of a sum double the amount of
24 interest, commission, discount, or fee for storage or caring
25 that was agreed to be paid.

1 (3) (a) When a rate or charge greater than that
2 provided for in subsection (1) has been paid, the person by
3 whom it has been paid may recover from the pawnbroker or
4 junk dealer reasonable attorney fees and an amount double
5 the amount of interest or charge paid.
6 (b) An action under this section must be brought within
7 2 years after the payment of the interest or charge. Before
8 a suit may be brought, the party bringing suit shall make
9 written demand for return of the interest or charge paid."

-End-

APPROVED BY COMM. ON
BUSINESS & INDUSTRY

SENATE BILL NO. 361

INTRODUCED BY TOWE

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR A CIVIL REMEDY FOR A PERSON CHARGED EXCESS INTEREST OR AN EXCESS CHARGE BY A PAWNBROKER OR JUNK DEALER; PROVIDING FOR RECOVERY OF REASONABLE ATTORNEY FEES AND AN AMOUNT DOUBLE THE EXCESS CHARGE; AND AMENDING SECTION 31-1-401, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 31-1-401, MCA, is amended to read:

"31-1-401. Interest pawnbrokers may receive -- civil enforcement. (1) No A person may not carry on the business of pawnbroker or junk dealer by receiving goods pawned or in pledge for loans at any rate of interest above 10% a year without first obtaining a license. A pawnbroker or junk dealer or his the pawnbroker's or junk dealer's employees or agents may not charge A FEE OF more than 3%--a--month--for interest,--commission,--discount,--storage,--and--caring--for property--pledged 25% OF THE AMOUNT OF THE LOAN FOR A 30-DAY PERIOD. THE FEE FOR EXTENDING A PAWN AGREEMENT FOR 30 DAYS MAY NOT EXCEED 25% OF THE AMOUNT OF THE LOAN. FOR PURPOSES OF THIS SECTION, A FEE INCLUDES ALL COSTS OR FEES CHARGED, INCLUDING BUT NOT LIMITED TO INTEREST, COMMISSION, DISCOUNT,

STORAGE, CARE OF PROPERTY, AND PURCHASE OPTION.

(2) The taking, receiving, reserving, or charging OF a rate--of--interest FEE greater than that allowed under subsection (1) is considered a forfeiture of a sum double the amount of interest,--commission,--discount,--or THE fee for storage or caring that was agreed to be paid.

(3) (a) When a rate or charge greater than that provided for in subsection (1) has been paid, the person by whom it has been paid may recover from the pawnbroker or junk dealer reasonable attorney fees and an amount double the amount of interest-or-charge THE FEE paid.

(b) An action under this section must be brought within 2 years after the payment of the interest--or--charge FEE. Before a suit may be brought, the party bringing suit shall make written demand for return of the interest-or-charge FEE paid."

NEW SECTION. SECTION 2. EFFECTIVE DATE. [THIS ACT] IS EFFECTIVE ON PASSAGE AND APPROVAL.

-End-

SENATE BILL NO. 361

INTRODUCED BY TOWE

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR A CIVIL REMEDY FOR A PERSON CHARGED EXCESS INTEREST OR AN EXCESS CHARGE BY A PAWNBROKER OR JUNK DEALER; PROVIDING FOR RECOVERY OF REASONABLE ATTORNEY FEES AND AN AMOUNT DOUBLE THE EXCESS CHARGE; AND AMENDING SECTION 31-1-401, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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STORAGE, CARE OF PROPERTY, AND PURCHASE OPTION.

(2) The taking, receiving, reserving, or charging OF a rate--of--interest FEE greater than that allowed under subsection (1) is considered a forfeiture of a sum double the amount of interest--commission--discount--or THE fee for storage or caring that was agreed to be paid.

(3) (a) When a rate or charge greater than that provided for in subsection (1) has been paid, the person by whom it has been paid may recover from the pawnbroker or junk dealer reasonable attorney fees and an amount double the amount of interest-or-charge THE FEE paid.

(b) An action under this section must be brought within 2 years after the payment of the interest--or--charge FEE. Before a suit may be brought, the party bringing suit shall make written demand for return of the interest-or-charge FEE paid."

NEW SECTION. SECTION 2. EFFECTIVE DATE. [THIS ACT] IS EFFECTIVE ON PASSAGE AND APPROVAL.

-End-

HOUSE STANDING COMMITTEE REPORT

March 10, 1993

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that Senate Bill 361 (third reading copy - blue) be concurred in as amended .

Signed: _____



Steve Benedict, Chair

And, that such amendments read:

Carried by: Rep. Simon

1. Title, line 9.

Following: "DATE"

Insert: "AND AN APPLICABILITY DATE"

2. Page 2, line 19.

Following: line 18

Insert: "NEW SECTION. Section 3. Applicability. [This act] is applicable to all loans made after [the effective date of this act]."

HOUSE

SB 361

Committee Vote:

541057SC HSC

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A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR A CIVIL REMEDY FOR A PERSON CHARGED EXCESS INTEREST OR AN EXCESS CHARGE BY A PAWNBROKER OR JUNK DEALER; PROVIDING FOR RECOVERY OF REASONABLE ATTORNEY FEES AND AN AMOUNT DOUBLE THE EXCESS CHARGE; AND AMENDING SECTION 31-1-401, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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INCLUDING BUT NOT LIMITED TO INTEREST, COMMISSION, DISCOUNT, STORAGE, CARE OF PROPERTY, AND PURCHASE OPTION.

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(3) (a) When a rate or charge greater than that provided for in subsection (1) has been paid, the person by whom it has been paid may recover from the pawnbroker or junk dealer reasonable attorney fees and an amount double the amount of interest-or-charge THE FEE paid.

(b) An action under this section must be brought within 2 years after the payment of the interest-or-charge FEE. Before a suit may be brought, the party bringing suit shall make written demand for return of the interest-or-charge FEE paid."

NEW SECTION. SECTION 2. EFFECTIVE DATE. [THIS ACT] IS EFFECTIVE ON PASSAGE AND APPROVAL.

NEW SECTION. SECTION 3. APPLICABILITY. [THIS ACT] IS APPLICABLE TO ALL LOANS MADE AFTER [THE EFFECTIVE DATE OF THIS ACT].

-End-