

PAWNBROKERS (EXCERPT)
Act 273 of 1917

446.209 Interest on loans; rate; storage charge; usage fee; time of payment; computation; fee or excess charge prohibited.

Sec. 9. (1) A licensed pawnbroker may charge upon any loan a rate of interest not to exceed 3% per month and is not required to accept any interest less than 50 cents on a single loan. A pawnbroker may also charge \$1.00 per month or fraction of a month for the storage of unencumbered personal property under any single pledge or pawn.

(2) A pawnbroker may charge \$1.00 per month or fraction of a month for a usage fee for unencumbered personal property pawned or pledged and used by the pawner during the term of the pawn or pledge. A usage fee charged under this subsection is not considered interest.

(3) A pawnbroker or the pawnbroker's agent or employee shall not charge or receive interest on the loan in excess of the amounts provided for in this act.

(4) Interest on any loan is not payable in advance and shall be computed on unpaid monthly balances without compounding.

(5) A pawnbroker is not entitled to any examination fee and shall not make any charge in excess of the amounts provided for in this act.

History: 1917, Act 273, Eff. Aug. 10, 1917;—CL 1929, 9692;—CL 1948, 446.209;—Am. 1965, Act 252, Eff. Mar. 31, 1966;—Am. 1998, Act 233, Imd. Eff. July 3, 1998;—Am. 2004, Act 585, Imd. Eff. Jan. 4, 2005.