

Legislative Analysis



INCREASE PAWNBROKER INTEREST RATE

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

Senate Bill 369 as passed by the Senate
Sponsor: Sen. Peter J. Lucido

Analysis available at
<http://www.legislature.mi.gov>

House Bill 5589 as introduced
Sponsor: Rep. Matt Hall

House Committee: Regulatory Reform
Senate Committee [SB 369]: Regulatory Reform
Complete to 3-25-20

SUMMARY:

Senate Bill 369 would amend 1917 PA 273, which regulates pawnbrokers, to increase from 3% to 4% the interest rate that a licensed pawnbroker can charge for a loan made against pawned articles or goods. The bill would take effect 90 days after being enacted.

House Bill 5589 would amend the same act to correspondingly change a reference to this maximum rate in a notice that pawnbrokers must provide to a person pawning something. The bill is tie-barred to SB 369, which means that it could not take effect unless SB 369 were also enacted.

MCL 446.209 (SB 369) and MCL 446.208 (HB 5589)

FISCAL IMPACT:

The bills would not have a significant fiscal impact on any unit of state or local government.

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