

**HB 2463 STAFF MEASURE SUMMARY**

**House Committee On Business and Labor**

---

**Prepared By:** Jan Nordlund, LPRO Analyst

**Meeting Dates:** 1/23

---

**WHAT THE MEASURE DOES:**

Allows pawnbroker to store large pledge items off premises if pledgor agrees in writing. Establishes security, bonding, insurance, and notice requirements for off-premises storage location. Requires pawnbroker to return pledged item within two business days after pledge is redeemed if item is stored off the premises. Authorizes Department of Consumer and Business Services to define "large items" by rule. Becomes operative January 1, 2020. Applies to pledge loans made or redeemed on or after the operative date. Takes effect 91st day following adjournment sine die.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

Pawnbrokers must be licensed by the Department of Consumer and Business Services in order to lawfully transact business. Pawnbrokers are liable for any loss of the pledged item or injury to the item the results from a failure to exercise reasonable care. Current law allows pawnbrokers to hold pledged boats, snowmobiles, all-terrain vehicles, and specified smaller trailers in a gated, secured facility. House Bill 2463 explicitly authorizes the pawnbroker to store large items at one off-premises location if the pledgor agrees in writing.