

AMENDED IN SENATE APRIL 15, 1998

AMENDED IN SENATE APRIL 2, 1998

**SENATE BILL**

**No. 1685**

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**Introduced by Senator Burton**

February 17, 1998

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An act to repeal Sections 21200.5 and 21200.7 of, and to repeal and add Section 21200 of, the Financial Code, relating to pawnbrokers.

LEGISLATIVE COUNSEL'S DIGEST

SB 1685, as amended, Burton. Pawnbrokers: compensation.

Existing law provides generally that no pawnbroker shall charge or receive compensation at a rate exceeding the amounts contained in a specified schedule.

This bill would set up a 4-month loan period and revise and recast the maximum amount of charges and compensation, as specified.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 21200 of the Financial Code is  
2 repealed.

3 SEC. 2. Section 21200 is added to the Financial Code,  
4 to read:

1 21200. (a) Except as otherwise provided in this  
 2 chapter, the maximum amount a pawnbroker may  
 3 charge for the four-month loan period and for each  
 4 month that the loan is extended as provided in Section  
 5 21201 shall not exceed the following:

Loan amount	Charge for the four-month loan period	Charge for each month extended
Under \$ 20.00	\$ 3	\$ 1.00
\$ 20 to 29.99	5	1.25
30 to 39.99	6	1.50
40 to 49.99	7	1.75
50 to 59.99	8	2.00
60 to 79.99	9	2.25
80 to 99.99	12	3.00
100 to 124.99	15	3.75
125 to 149.99	17	4.25
150 to 174.99	19	4.75
175 to 199.99	21	5.25
200 to 224.99	23	5.75
225 to 299.99	26	6.50
300 to 349.99	29	7.25
350 to 399.99	32	8.00
400 to 499.99	36	9.00
500 to 599.99	46	11.50
600 to 799.99	58	14.50
800 to 999.99	73	18.25
1,000 to 1,199.99	90	22.50
1,200 to 1,499.99	108	27.00
1,500 to 1,799.99	128	32.00
1,800 to 2,099.99	150	37.50
2,100 to 2,499.99	175	43.75

33  
 34 ~~(b) A four-month minimum charge is applicable to all~~  
 35 ~~loans redeemed during the four-month loan period,~~  
 36 ~~excepting that a one-month minimum charge shall be~~  
 37 ~~applicable when the loan amount is less than fifteen~~  
 38 ~~dollars (\$15).~~

39 ~~(c)~~



1 (b) One month's interest may be charged for any part  
2 of the month in which pawned property is redeemed.

3 ~~(d)~~

4 (c) A charge not exceeding one dollar (\$1) for each  
5 month may be charged on any loan when the monthly  
6 charge permitted by this section would otherwise be less  
7 than one dollar (\$1).

8 ~~(e)~~

9 (d) The schedule of charges prescribed by this section  
10 shall be posted in a place clearly visible to the general  
11 public.

12 SEC. 3. Section 21200.5 of the Financial Code is  
13 repealed.

14 SEC. 4. Section 21200.7 of the Financial Code is  
15 repealed.

