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HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 1764

- 02/27/2017 Authored by Anderson, S.,
The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform
- 03/02/2017 Adoption of Report: Placed on the General Register
Read for the Second Time
- 05/22/2017 Pursuant to Rule 4.20, returned to the Committee on Commerce and Regulatory Reform

1.1 A bill for an act

1.2 relating to commerce; regulating the redemption period in pawn transactions;

1.3 amending Minnesota Statutes 2016, section 325J.06.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Minnesota Statutes 2016, section 325J.06, is amended to read:

1.6 **325J.06 EFFECT OF NONREDEMPTION.**

1.7 (a) A pledgor shall have no obligation to redeem pledged goods or make any payment

1.8 on a pawn transaction. Pledged goods not redeemed within at least 60 days of the date of

1.9 the pawn transaction, ~~renewal, or extension~~ shall automatically be forfeited to the

1.10 pawnbroker, and qualified right, title, and interest in and to the goods shall automatically

1.11 vest in the pawnbroker.

1.12 (b) The pawnbroker's right, title, and interest in the pledged goods under paragraph (a)

1.13 is qualified only by the pledgor's right, while the pledged goods remain in possession of the

1.14 pawnbroker and not sold to a third party, to redeem the goods by paying the loan plus fees

1.15 and/or interest accrued up to the date of redemption.

1.16 (c) A pawn transaction that involves holding only the title to property is subject to chapter

1.17 168A or 336.