

LEGISLATIVE HISTORY CHECKLIST

NJSA: 45:22-22 (Pawnbrokers - increase amount of loan notes)

LAWS OF: 1984 CHAPTER: 84

Bill No: S822

Sponsor(s): Orecchio and others

Date Introduced: Pre-filed

Committee: Assembly: Commerce and Industry
Senate: Labor, Industry and Professions

Amended during passage: No

Date of Passage: Assembly: May 17, 1984
Senate: February 27, 1984

Date of Approval: July 18, 1984

Following statements are attached if available:

Sponsor statement: Yes
Committee statement: Assembly: Yes, Senate: Yes
Fiscal Note: No
Veto Message: No
Message on Signing: No
Following were printed:
Reports: No
Hearings: No

Vertical stamp or handwritten text on the right side of the page.

CHAPTER 84 LAWS OF N. J. 1984
APPROVED 7-18-84

SENATE, No. 822

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1984 SESSION

By Senators ORECHIO, O'CONNOR, SAXTON and CARDINALE

AN ACT concerning the pawnbroker law, amending R. S. 45:22-22,
and supplementing chapter 22 of Title 45 of the Revised Statutes.

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. R. S. 45:22-22 is amended to read as follows:

2 45:22-22. **[A]** *Notwithstanding the provisions of N. J. S.*
3 *2C:21-19 to the contrary, a pawnbroker shall not charge or receive*
4 *interest on a loan in excess of **[2½%]** 3% per month or a fraction*
5 *thereof, **[upon any loan not exceeding the sum of \$100.00, and 2%***
6 *per month on that portion of any loan exceeding the sum of*
7 *\$100.00,]* *except that he may charge **[\$0.25]** \$0.50 where the inter-*
8 *est herein amounts to less. In no event shall any other charges be*
9 *made for any reason whatsoever, except as permitted by the Com-*
10 *missioner of Banking **[and Insurance].***

1 2. (New section) The Department of Banking is directed to study
2 the impact of this 1984 amendatory and supplementary act and
3 report its findings to the Governor, the President of the Senate and
4 the Speaker of the General Assembly one year from the date this
5 act takes effect.

1 3. This act shall take effect on the first day of the second month
2 after enactment.

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill
is not enacted and is intended to be omitted in the law.

Matter printed in italics *thus* is new matter.

STATEMENT

This bill increases to 3% the maximum monthly rate of interest that may be charged by a pawnbroker; eliminates the dual rate system of current law; and increases, from \$0.25 to \$0.50, the minimum charge that may be levied by a pawnbroker.

Under existing law, a pawnbroker is entitled to charge a monthly rate of up to 2½% on the first \$100.00 of a loan, and 2% on any amount in excess thereof. This dual rate system is to be replaced by a flat rate of 3%.

STATEMENT

This bill increases to 3% the maximum monthly rate of interest that may be charged by a pawnbroker; eliminates the dual rate system of current law; and increases, from \$0.25 to \$0.50, the minimum charge that may be levied by a pawnbroker.

Under existing law, a pawnbroker is entitled to charge a monthly rate of up to 2½% on the first \$100.00 of a loan, and 2% on any amount in excess thereof. This dual rate system is to be replaced by a flat rate of 3%.

S 822 (1984)

ASSEMBLY COMMERCE AND INDUSTRY COMMITTEE

STATEMENT TO

SENATE, No. 822

STATE OF NEW JERSEY

DATED: MAY 7, 1984

This bill would permit pawnbrokers to charge interest rates on loans of up to 3% per month or a fraction thereof, with a minimum interest charge of \$0.50. The bill directs the Department of Banking to study the impact of the interest rate charge embodied in the act and to report its findings to the Governor, the President of the Senate and the Speaker of the General Assembly one year from the date that the act takes effect.

The permissible rate of interest on loans made by pawnbrokers has not been raised since 1957, although interest rate ceilings applicable to other lenders have been raised since that time.

SENATE LABOR, INDUSTRY AND PROFESSIONS
COMMITTEE

STATEMENT TO
SENATE, No. 822

STATE OF NEW JERSEY

DATED: FEBRUARY 6, 1984

This bill would permit pawnbrokers to charge interest rates on loans of up to 3% per month or a fraction thereof, with a minimum interest charge of 50¢. It also directs the Commissioner of Banking to study the impact of the bill and to report his findings within one year of the bill's effective date.



OFFICE OF THE GOVERNOR

NEWS RELEASE

CN-001

Contact: PAUL WOLCOTT
609-292-8956

JUL 20 1984

TRENTON, N.J. 08625

Release: WEDNESDAY, JULY 18, 1984

185 W. State Street
Trenton, N. J.

Governor Thomas H. Kean has signed the following bills:

S-822, sponsored by State Senator Carmen A. Orechio, D-Essex, which increases the monthly rate pawnbrokers may impose and provides for an increase in the minimum charge pawnbrokers may make. The bill sets a flat maximum rate of 3 percent per month. The old rate was 2.5 percent on the first \$100 and 2 percent on amounts over \$100. The bill raises the minimum fee allowed from 25 cents to 50 cents.

S-1039, also sponsored by Senator Orechio, which requires that a child placement review board conduct a special review before a child may be returned to his parents or legal guardians when the proposed return is contrary to the placement plan approved by the court.

A-277, sponsored by Assemblyman Wayne R. Bryant, D-Camden, which provides that the Commissioner of Transportation may require the relocation or removal of cable television facilities from highway projects when the project is administered by the Department. Costs of the relocation would be paid for by the Department. The bill thus extends to the cable television industry the same cost reimbursement provisions currently available to the telephone, natural gas and electric utility companies.

A-160, sponsored by Assemblyman Richard F. Vistocky, D-Bergen, which provides Medicaid coverage for inpatient and outpatient drug abuse treatment when the treatment is prescribed by a physician and prescribed in a licensed hospital or a narcotic and drug abuse treatment center.