

HOUSE BILL No. 2045

By Committee on Federal and State Affairs

1-17

1 AN ACT concerning pawnbrokers; relating to loans made by pawnbrokers;
2 increasing the statutory limit on charges that may be assessed on such
3 loans; amending K.S.A. 16-719 and repealing the existing section.
4

5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 16-719 is hereby amended to read as follows: 16-
7 719. (a) No pawnbroker shall contract for, charge or receive directly or
8 indirectly on or in connection with any pawnbroker transaction any
9 charges, whether for interest, storage, insurance, service fee, handling,
10 compensation, consideration or expense ~~which~~ that in the aggregate are
11 greater than the charges provided and authorized by this act. Any other
12 provisions of law relating to interest, storage and such charges shall not be
13 applicable to any pawnbroker transaction made in accordance with this act.

14 (b) Whenever any loan is made by a pawnbroker for which goods are
15 received in pledge:

16 (1) A charge may be added in an amount not to exceed ~~10%~~ 15% per
17 month or ~~120%~~ 180% per annum of the amount advanced to the borrower;
18 and

19 (2) the amount of the loan shall not exceed \$5,000.

20 (c) The term of any loan made under the provisions of this act shall
21 be one month. Loans may be extended or renewed by the payment of the
22 charges herein provided monthly. The charges authorized herein shall be
23 deemed to be earned at the time the loan is made and shall not be subject
24 to refund. On loans under this act, no insurance charges or any other
25 charges of any nature whatsoever shall be permitted.

26 Sec. 2. K.S.A. 16-719 is hereby repealed.

27 Sec. 3. This act shall take effect and be in force from and after its
28 publication in the statute book.