

9152

2009-2010 Regular Sessions

I N A S S E M B L Y

September 22, 2009

Introduced by M. of A. WRIGHT -- read once and referred to the Committee on Economic Development, Job Creation, Commerce and Industry

AN ACT to amend the general business law, in relation to authorizing collateral loan brokers to extend the holding period for collateral for an additional three months

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Subdivision 2 of section 44 of the general business law is
2 amended by adding a new paragraph (f) to read as follows:
3 (F) THE HOLDER OF THIS TICKET MAY REQUEST THAT THE COLLATERAL LOAN
4 BROKER RETAIN POSSESSION OF THE ARTICLE PLEDGED FOR AN ADDITIONAL THREE
5 MONTHS FOLLOWING THE INITIAL FOUR MONTH HOLDING PERIOD. AT ANY TIME
6 PRIOR TO THE EXPIRATION OF THE EXTENDED HOLDING PERIOD, THE HOLDER MAY
7 REDEEM THE ARTICLE PLEDGED BY PAYING THE COLLATERAL LOAN BROKER THE
8 AMOUNT OF THE LOAN, INTEREST, SERVICE CHARGE AND OTHER LAWFUL CHARGES.
9 IN THE EVENT THAT THE EXTENDED HOLDING PERIOD IS REQUESTED AND THE ARTI-
10 CLE IS NOT REDEEMED, IT SHALL VEST IN THE COLLATERAL LOAN BROKER FOR HIS
11 OR HER USE OR BENEFIT.
12 S 2. Section 48 of the general business law is amended by adding a new
13 subdivision 3 to read as follows:
14 3. NOTWITHSTANDING ANY PROVISION OF ANY GENERAL OR SPECIAL STATUTES,
15 LOCAL LAWS AND ORDINANCES TO THE CONTRARY, AT THE REQUEST OF A PAWNOR A
16 COLLATERAL LOAN BROKER SHALL RETAIN POSSESSION OF A PLEDGE FOR AN ADDI-
17 TIONAL THREE MONTHS FOLLOWING THE INITIAL FOUR MONTH HOLDING PERIOD. AT
18 ANY TIME PRIOR TO THE EXPIRATION OF THE EXTENDED HOLDING PERIOD, A
19 PERSON ENTITLED TO REDEEM A PLEDGE MAY REDEEM UPON PAYMENT OF PRINCIPAL,
20 INTEREST, SERVICE CHARGES AND ALL OTHER LAWFUL CHARGES. IN THE EVENT
21 THAT THE PLEDGE IS NOT SO REDEEMED, IT SHALL VEST IN THE COLLATERAL LOAN
22 BROKER FOR HIS OR HER OWN USE OR BENEFIT. NOT LESS THAN THIRTY DAYS
23 PRIOR TO THE END OF THE THREE MONTH EXTENDED HOLDING PERIOD, NOR MORE
24 THAN FORTY-FIVE DAYS PRIOR THERETO, THE COLLATERAL LOAN BROKER SHALL

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 MAIL A NOTICE OF DEFAULT AND TRANSFER OF OWNERSHIP BY LETTER ADDRESSED
2 TO THE PAWNOR AT THE ADDRESS GIVEN AT THE TIME OF PLEDGE.
3 S 3. This act shall take effect on the thirtieth day after it shall
4 have become a law, and shall apply to goods, articles and things pawned
5 or pledged on or after such date.