

2808

2013-2014 Regular Sessions

I N   A S S E M B L Y

January 18, 2013

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Introduced by M. of A. WRIGHT -- read once and referred to the Committee  
on Economic Development

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 ASSEM-  
BLY, 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.

LBD00543-01-3

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.