



Report to Agency on Public Comment Period

Date: December 13, 2016

To: Department of Consumer and Business Services

From: Aeron Teverbaugh, Senior Policy Analyst

Subject: Report on Proposed Bulletin 2016-2: "Exceptions To The Requirement To Present A Pawn Ticket For Pledge Redemption"

Comment Period Start: October 18, 2016
Comment Period End: November 18, 2016

Background

Pawnbrokers, when they make a pledge loan, are required to issue the pledgor (or a representative of the pledgor) a ticket detailing, among other things, the item pledged and the interest rate. The holder of the pawn ticket is presumed to be entitled to redeem the pledge through the payment of the principal, interest, and fees. Generally, Oregon law provides that a pawnbroker is not required to deliver a pledge unless the pawn ticket is presented. Oregon's Pawnbrokers Act does, however, address instances where a pawn ticket has been lost, stolen or destroyed. On March 30, 2016, the Oregon Court of Appeals decided *Hughes v. Ephrem and H&B Jewelry and Loan*¹ interpreting Oregon Revised Statute (ORS) 726.330. The opinion does not change the Pawnbrokers Act or the various responsibilities of pawnbrokers in general. The opinion makes clear that a writ of garnishment, as an act of the court, is an exemption from the general rule that a ticket must be presented to redeem a pledge.

The division distributed the draft bulletin to stakeholders and interested parties for comment. The Department did not receive any comments. The Bulletin is being published as proposed.

Aeron Teverbaugh
Senior Policy Analyst

¹ *Hughes v. Ephrem and H&B Jewelry and Loan*, 277 Or App 193 (2016).

Signed this __13____ day of December, 2016.

Department of Consumer and Business Services

A handwritten signature in black ink, appearing to read 'Laura Cali', with a period at the end.

Laura Cali, Administrator
Division of Financial Regulation