

Rule Summary and Fiscal Analysis (Part A)**Department of Commerce**

Agency Name

Division of Financial Institutions: Consumer **Mary Amos Augsburg****Finance**

Division

Contact

77 South High St. 21st floor Columbus OH**614-466-6434****43215-0000**

Agency Mailing Address (Plus Zip)

Phone

Fax

1301:8-5-07

Rule Number

NEW

TYPE of rule filing

Rule Title/Tag Line

Payments on a pawn loan.**RULE SUMMARY**

1. Is the rule being filed consistent with the requirements of the RC 119.032 review? **No**

2. Are you proposing this rule as a result of recent legislation? **No**

3. Statute prescribing the procedure in accordance with the agency is required to adopt the rule: **119.03**

4. Statute(s) authorizing agency to adopt the rule: **4727.13**

5. Statute(s) the rule, as filed, amplifies or implements: **4727.06, 4727.11**

6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

This proposed new rule regarding payments on a pawn loan is a renumbering of proposed rescinded rule 1301:8-5-08. In addition, amendments to proposed rescinded rule 1301:8-5-08 are greater than 50% so a new rule is required.

7. If the rule is an AMENDMENT, then summarize the changes and the content of the proposed rule; If the rule type is RESCISSION, NEW or NO CHANGE, then summarize the content of the rule:

In paragraph (A), the rule prohibits licensees from accepting interest or storage payments for the month in which the pawn loan is made and for any subsequent months prior to the payment's due date. The rule permits a pawnbroker to assess a full month's interest and storage charge for any fraction of a month that exists at the time the loan is redeemed. Paragraph (B) prohibits refinancing a pawn loan, prohibits a licensee from redeeming a pawn loan on behalf of a pledgor, and prohibits pro-rata payments on interest or other charges. Paragraph (C) forbids a licensee from establishing a new pawn date for a pawn loan when a payment is made but no redemption occurs. In paragraph (D), the rule explains that when a pawn account is not paid in full on or before the thirtieth day from the date the forfeiture warning notice was mailed, the property forfeits to the licensee on the thirty-first day.

8. If the rule incorporates a text or other material by reference and the agency claims the incorporation by reference is exempt from compliance with sections 121.71 to 121.74 of the Revised Code because the text or other material is **generally available** to persons who reasonably can be expected to be affected by the rule, provide an explanation of how the text or other material is generally available to those persons:

This response left blank because filer specified online that the rule does not incorporate a text or other material by reference.

9. If the rule incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material electronically, provide an explanation of why filing the text or other material electronically was infeasible:

This response left blank because filer specified online that the rule does not incorporate a text or other material by reference.

10. If the rule is being **rescinded** and incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material, provide an explanation of why filing the text or other material was infeasible:

Not Applicable.

11. If **revising** or **refiling** this rule, identify changes made from the previously filed version of this rule; if none, please state so:

The word "loan" at the end of the first sentence in paragraph (A) was corrected to read "payment." This was necessary to clarify that interest and storage payments are not to be paid in advance.

12. 119.032 Rule Review Date:

(If the rule is not exempt and you answered NO to question No. 1, provide the scheduled review date. If you answered YES to No. 1, the review date for this rule is the filing date.)

NOTE: If the rule is not exempt at the time of final filing, two dates are required: the current review date plus a date not to exceed 5 years from the effective date for Amended rules or a date not to exceed 5 years from the review date for No Change rules.

FISCAL ANALYSIS

13. Estimate the total amount by which *this proposed rule* would **increase / decrease** either **revenues / expenditures** for the agency during the current biennium (in dollars): Explain the net impact of the proposed changes to the budget of your agency/department.

This will have no impact on revenues or expenditures.

\$0

Not Applicable

14. Identify the appropriation (by line item etc.) that authorizes each expenditure necessitated by the proposed rule:

Not Applicable

15. Provide a summary of the estimated cost of compliance with the rule to all directly affected persons. When appropriate, please include the source for your information/estimated costs, e.g. industry, CFR, internal/agency:

There are no anticipated costs of compliance with this rule. The rule clarifies the requirements and prohibitions of R.C. Sections 4727.06 and 4727.11.

16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? **No**

17. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? **No**