

Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 22-0381.01 Pierce Lively x2059

HOUSE BILL 22-1324

HOUSE SPONSORSHIP

Bernett and Lynch,

SENATE SPONSORSHIP

(None),

House Committees
Business Affairs & Labor

Senate Committees

A BILL FOR AN ACT

101 CONCERNING A MODIFICATION TO THE DEFINITION OF PAWNBROKER.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Under current law, a pawnbroker is a person who regularly engages in the business of making contracts for purchase or purchase transactions in the course of his or her business. The bill amends the definition of pawnbroker so that a person who is regularly engaged in the business of making purchase transactions is a pawnbroker only if he or she also engages in the business of making contracts for purchase.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 hereby finds and declares that:

4 (a) In 2020, in *Pro's Closet, Inc. v. City of Boulder*, 2019 COA
5 128, the Colorado court of appeals interpreted the definition of
6 pawnbroker under Colorado law and held that the definition included
7 both persons who regularly engage in the business of making contracts
8 for purchase and persons who regularly engage in the business of making
9 purchase transactions;

10 (b) The act changes the definition of pawnbroker so that a person
11 who is regularly engaged in the business of making purchase transactions
12 is a pawnbroker only if he or she also regularly or occasionally engages
13 in the business of making contracts for purchase; and

14 (c) Under the definition of pawnbroker in the act, a person who
15 regularly engages in the business of making purchase transactions, but
16 does not engage in the business of making contracts for purchase, is not
17 a pawnbroker.

18 **SECTION 2.** In Colorado Revised Statutes, 29-11.9-101, **amend**
19 (7) as follows:

20 **29-11.9-101. Definitions.** As used in this article 11.9, unless the
21 context otherwise requires:

22 (7) "Pawnbroker" means a person WHO, IN THE COURSE OF HIS OR
23 HER BUSINESS, IS regularly engaged in the business of making contracts
24 for purchase or A PERSON WHO, IN THE COURSE OF HIS OR HER BUSINESS,
25 IS BOTH REGULARLY ENGAGED IN THE BUSINESS OF MAKING purchase
26 transactions ~~in the course of his or her business~~ AND ALSO REGULARLY OR
27 OCCASIONALLY MAKES CONTRACTS FOR PURCHASE.

1 **SECTION 3. Act subject to petition - effective date.** This act
2 takes effect at 12:01 a.m. on the day following the expiration of the
3 ninety-day period after final adjournment of the general assembly; except
4 that, if a referendum petition is filed pursuant to section 1 (3) of article V
5 of the state constitution against this act or an item, section, or part of this
6 act within such period, then the act, item, section, or part will not take
7 effect unless approved by the people at the general election to be held in
8 November 2022 and, in such case, will take effect on the date of the
9 official declaration of the vote thereon by the governor.