

Pawnbroker Regulation Act

Comments

The Pawnbroker Regulation Act governs the practice of pawnbrokers in the State of Illinois. The Act is administered by the Commissioner of Banks and Real Estate.

A frequent inquiry deals with the right of a rent-to-own business to recover its property pawned at a licensed pawnbroker.

Under the law a pawnbroker is required to maintain records for the goods and articles pawned, the amount of money given, the value of things loaned, etc.

The Pawnbroker Regulation Act contains various prohibitions. The Act also provides that when stolen property has been pawned such property shall be returned to the owner without the payment of the money advanced by the pawnbroker or any costs or charges of any kind which a pawnbroker may have placed on the property.

A pawnbroker has the right to sell the pawned items after 48 hours from delivery of the property report to the sheriff of the county or city police in which the pawnbroker does business.

A rent-to-own business, in order to establish ownership of its merchandise should maintain accurate inventory records including identifiable serial numbers or separate identifying numbers.

In addition, constant contact with the pawnbrokers, i.e., receipt of daily records, is advisable.