



# ROB STAFSHOLT

STATE SENATOR • 10<sup>th</sup> SENATE DISTRICT

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Madison, WI 53707-7882

TO: Senate Committee on Sporting Heritage, Small Business & Rural Issues  
FROM: Senator Rob Stafsholt  
DATE: February 10, 2022  
SUBJECT: Testimony in Favor of Senate Bill 645

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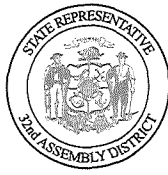
Thank you, fellow members of the Senate Committee on Sporting Heritage, Small Business and Rural Issues for allowing me to testify in favor of Senate Bill 645.

Under current law, a pawnbroker must communicate with customers by registered mail at least 30 days before selling an individual's personal property. If the pawnbroker sells the item for more than the value of the loan, the customer must be notified by registered mail that they are due a refund of the surplus.

This legislation will update Wisconsin's pawnbroker statutes and administrative rules to keep up with advances in technology. It allows pawnbrokers to send notices of sale and notices of surplus by registered mail or other means authorized under DFI's rules. The bill specifically allows a pawnbroker to provide notice by electronic mail or text message if all of the following requirements are met:

1. The pawnbroker receives the customer's written consent to receive notices by electronic mail or text message, which consent must state that the customer has the right to withdraw the consent and must be signed by the customer, except that no separate signature is required if the pawnbroker receives authorization by electronic mail or text message from the customer's electronic mail address or telephone number;
2. The pawnbroker requires at the time of the consent that the customer verify, using a specified method, the customer's electronic mail address or telephone number;
3. The pawnbroker retains records of the electronic mail or text message notices sent;
4. The pawnbroker sends notice to the customer's physical mailing address if the electronic mail or text message delivery fails or if the customer withdraws consent to receive notice by electronic mail or text message.

Thank you, members. I ask for your support and would be happy to answer any questions.



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# TYLER AUGUST

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STATE REPRESENTATIVE • 32<sup>ND</sup> ASSEMBLY DISTRICT  
SPEAKER PRO TEMPORE

## **Assembly Bill 653/Senate Bill 645**

### **Senate Committee on Sporting Heritage, Small Business & Rural Issues**

**February 10, 2022**

Thank you Chairman Stafsholt and committee members for holding a hearing on Assembly Bill 653/Senate Bill 645, a bill that updates procedures for pawnbrokers.

While most movies portray these transactions as an individual selling their item to a pawnbroker, it is actually a loan. An individual is able to have the item returned if they are able to pay the principle and interest within the time period agreed upon. If the loan is not paid within that time period, the pawnbroker then has the ability to sell the item in order to satisfy the loan. If the pawnbroker collects more than that amount, the excess is to be returned to the customer.

Under current law, the pawnbroker must notify the customer by certified mail that they plan on selling their item and then if there are excess funds after that sale. This bill would simply allow the customer to receive these notices by email or text. This would simply be optional and the customer could still receive the notices by certified mail.

If the customer wants to receive their notices by electronic means, the pawnbroker must send a test message by email or text to ensure they have the correct information. The pawnbroker must retain any records of this notification and if they find that the text or email doesn't go through, they must send the notification by regular mail.

Thank you, again, for hearing this much needed update to the pawnbroker industry.

# State of Wisconsin Electronic Pawn Notifications



## Proposed Pawn America Notification Process Flow

1

### COMPANY OVERVIEW

- Founded by Brad Rixmann in 1991
- Started in a single, modest, 900 square-foot location in Robbinsdale
- Grown to 16 Pawn America stores in two states (MN/WI)
- Employs 192 wonderful staff members
- Modern retailer with industry leading e-commerce practices



2

## PAWN AMERICA COMPANY OVERVIEW

- Pawn America is always looking forward, finding ways to improve,
- chooses locations in thriving areas of a community, where every retailer wants to be,
- want our neighbors to be glad we moved in,
- want to be seen as part of the community's bright future,
- values strong partnerships with our communities and local law enforcement agencies.



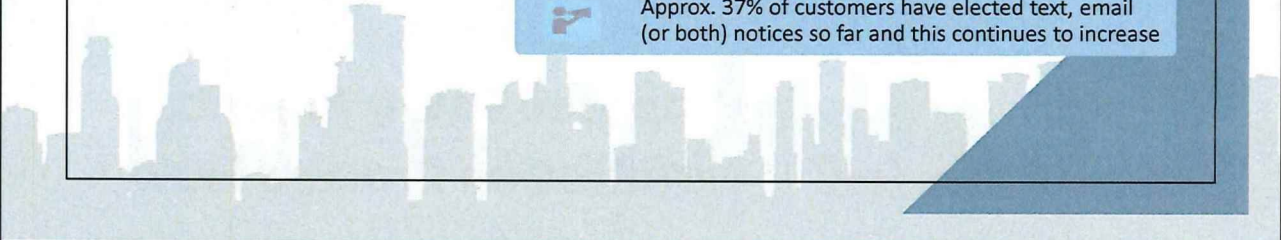
3

## CURRENT MARKET

- Modernizing our business practices is an ongoing effort
- Customers are asking for cutting edge conveniences (not unlike banks, restaurants, etc.)
- Meeting our customer expectations is essential, builds loyalty and repeat business
- Pawn America, like all pawn businesses, is also a green company (predominantly via product reuse) – in this case we are seeking to significantly reduce, if not eliminate, the use of paper.




4



**Pawn America's Experience with Electronic Notifications**

- Wisconsin currently requires notification via US Mail**
- Customers have requested text/email notices for their convenience
- Pawn America created a process to deliver the notices via email and/or text for our Minnesota customers
- The process has been implemented over the past 3-4 months
- Approx. 37% of customers have elected text, email (or both) notices so far and this continues to increase

5



**Thank you!**

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# State of Wisconsin Electronic Pawn Notifications

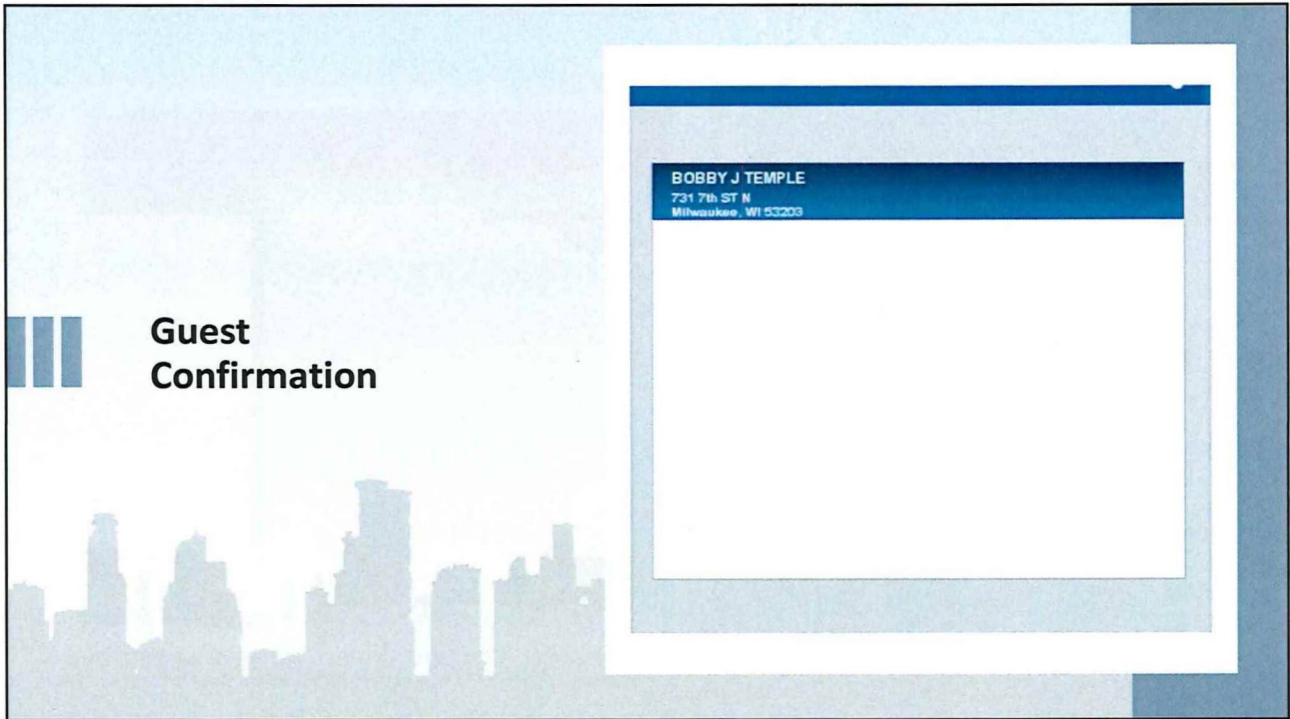
**PawnAmerica** | Proposed Pawn America  
Notification Process Flow

7

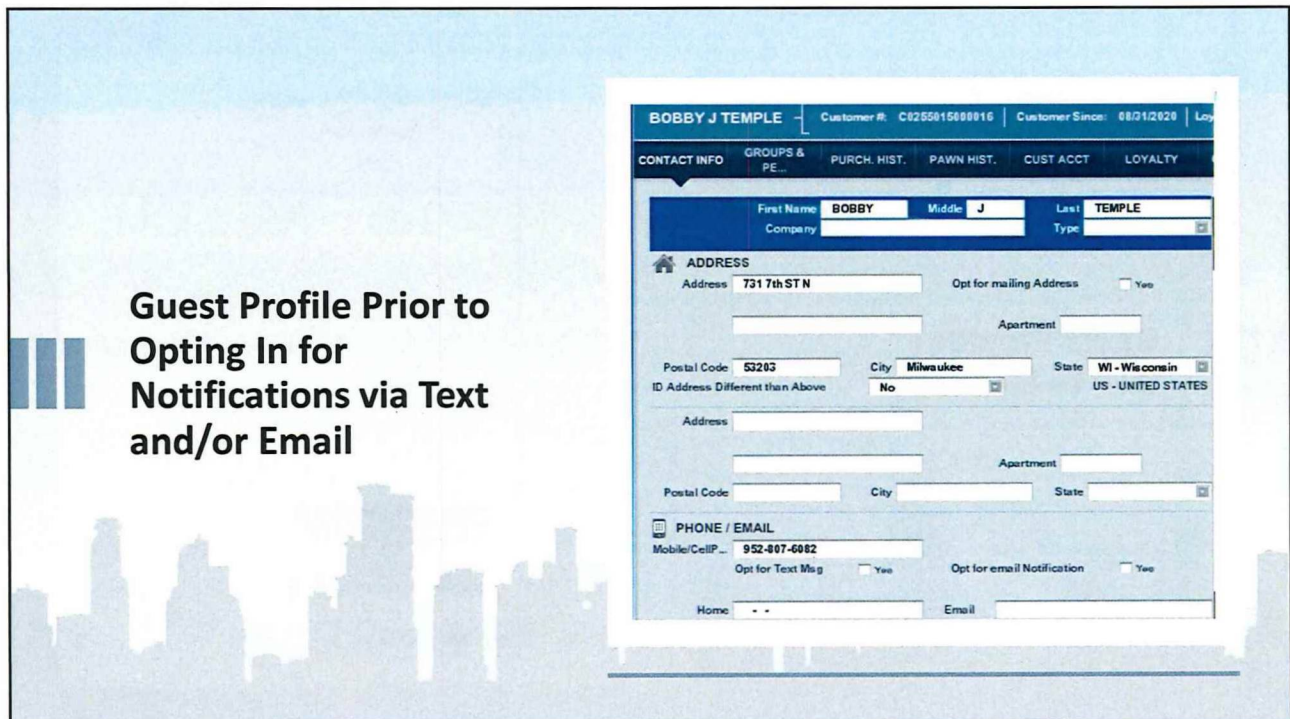
## Guest Search

Phone #	9528076082
Email	
Driver Lic. ID#	
LAST NAME	Temp
FIRST NAME	Bob
City	
State	<input type="text"/>
Postal Code	
Loyalty #	
Customer #	

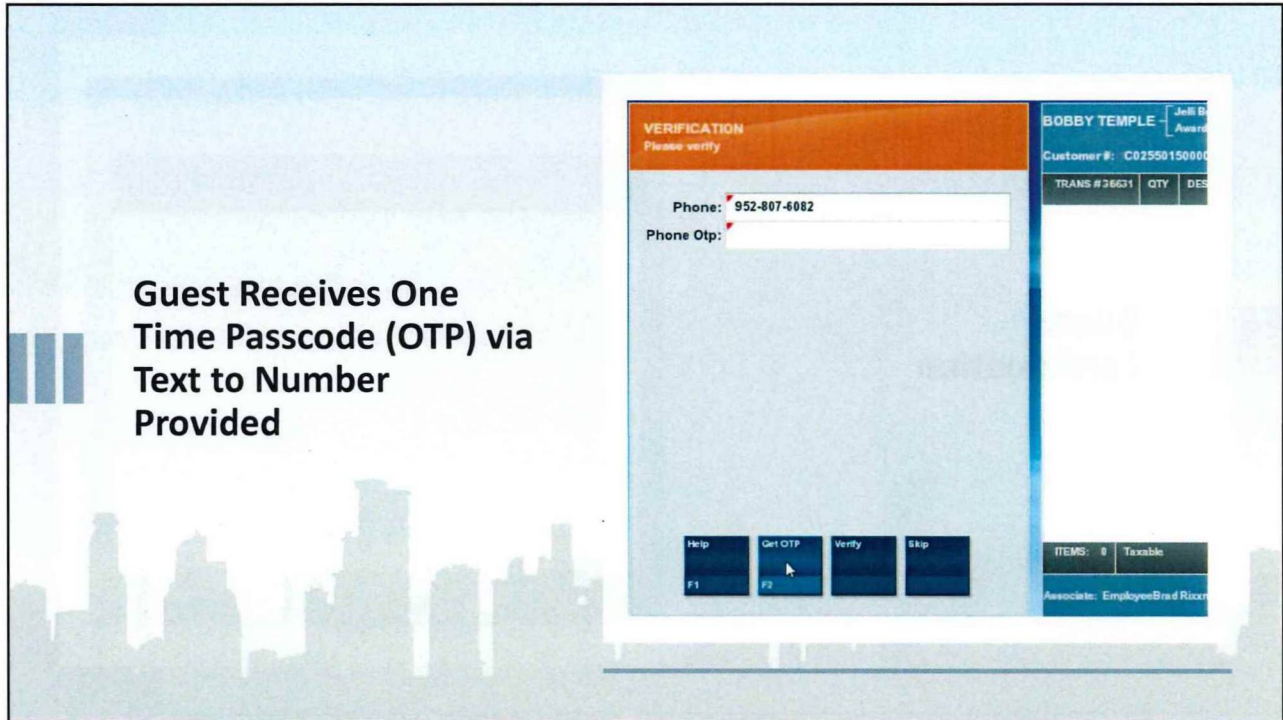
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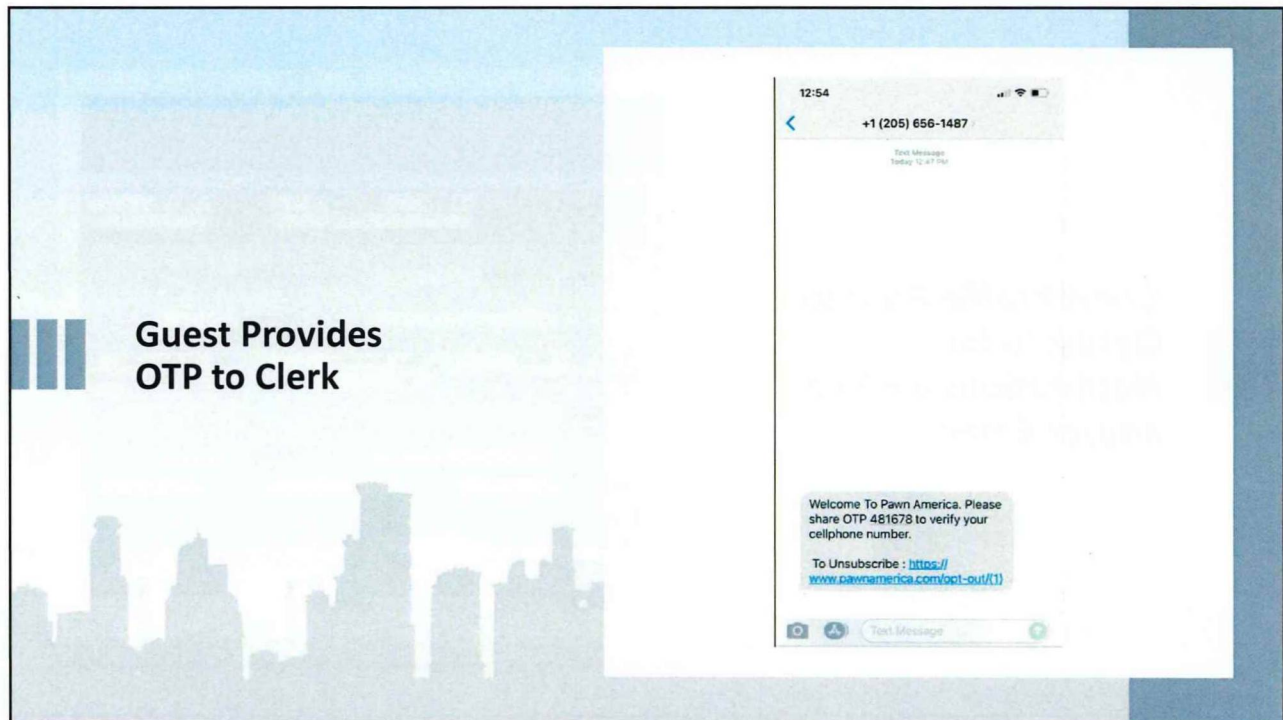
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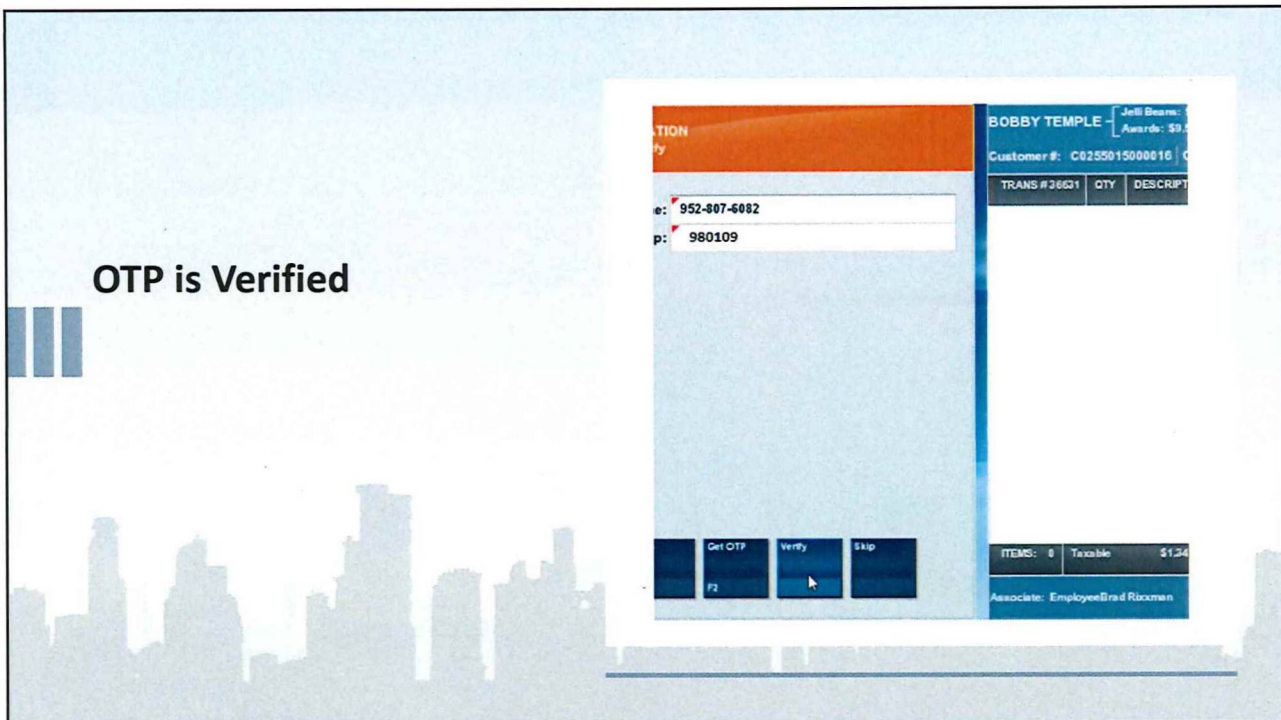


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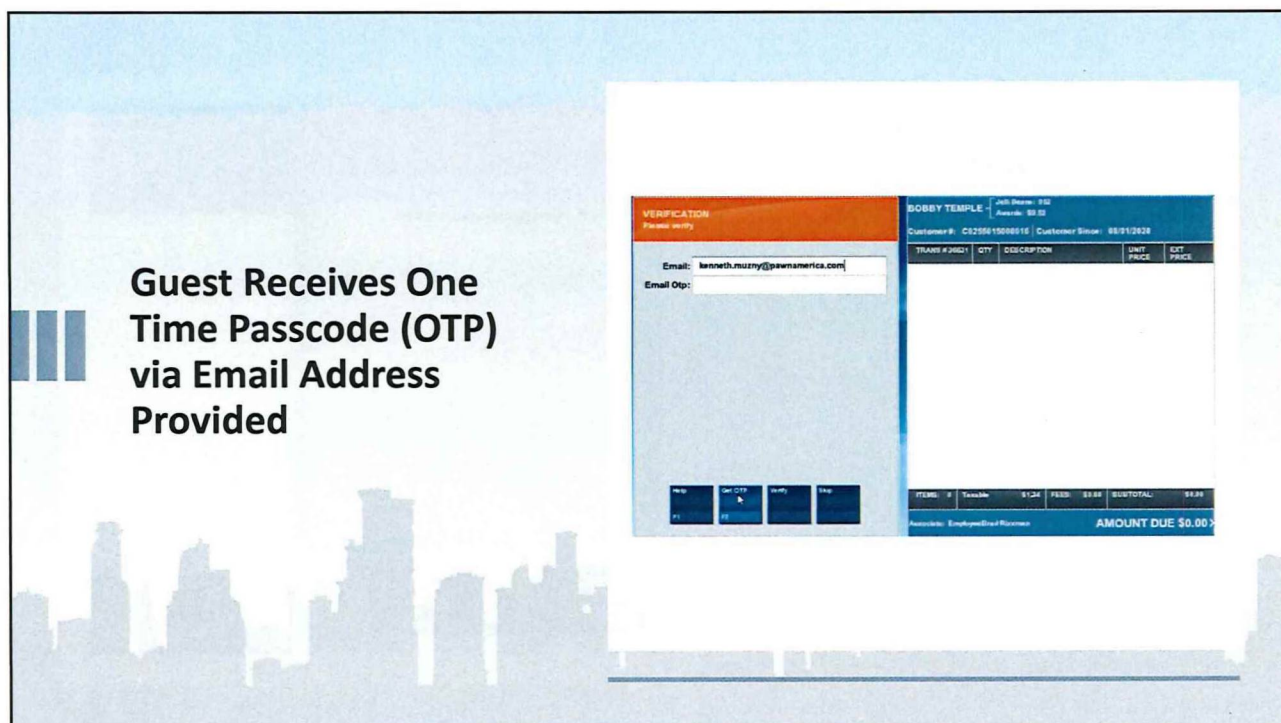


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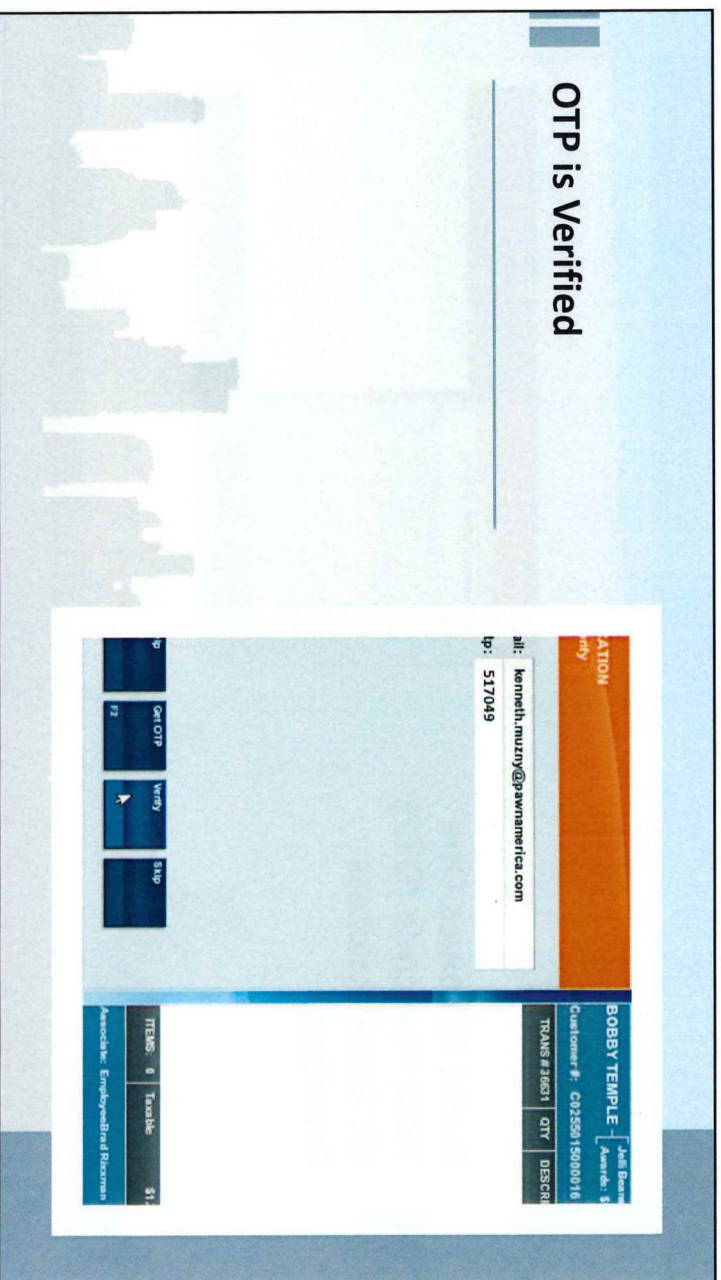
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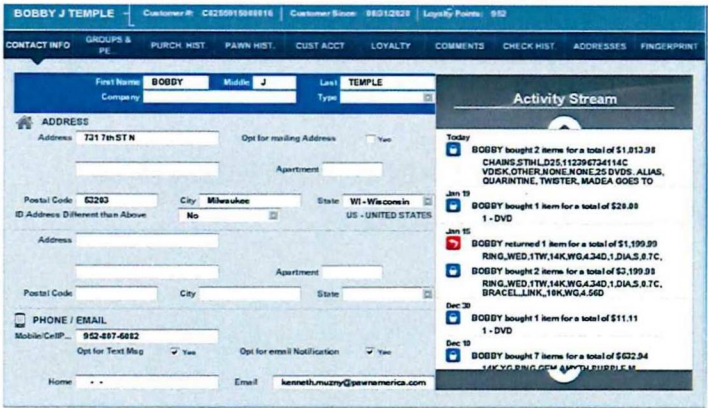
14



15



16



**BOBBY J TEMPLE** Customer ID: C52591988816 Customer Score: 98012628 Login Points: 982

CONTACT INFO GROUPS & FE PURCH HIST PAWN HIST CUST ACCT LOYALTY COMMENTS CHECK HIST ADDRESSES FINGERPRINT

First Name: **BOBBY** Middle: **J** Last: **TEMPLE** Company: [blank] Type: [blank]

**ADDRESS**  
Address: **721 7th ST N** Opt for mailing Address:  Yes  
Apartment: [blank]  
Postal Code: **53263** City: **Milwaukee** State: **WI - Wisconsin**  
ID Address Different than Above: **No** US - UNITED STATES

**PHONE / EMAIL**  
Mobile/Cell#: **952-487-4682** Opt for Text Msg:  Yes  
Opt for email Notification:  Yes  
Home: [blank] Email: **kenneth.muzny@gemamerica.com**

**Activity Stream**

- Today: BOBBY bought 2 items for a total of \$1,813.98  
CHARIS STEEL D251122923414C  
VDEK.OTHER.NONE.NONE.25 DVDS. ALIAS.  
QUARANTINE. TWISTER. MADEA GOES TO
- Jan 13: BOBBY bought 1 item for a total of \$29.88  
1 - DVD
- Jan 15: BOBBY returned 1 item for a total of \$1,199.99  
RNG\_WED.1TW.14K.WG.4.34D.1.DIA.5.8.7C.  
BOBBY bought 2 items for a total of \$2,199.98  
RNG\_WED.1TW.14K.WG.4.34D.1.DIA.5.8.7C.  
BRACELINK.19K.WG.4.56D
- Dec 20: BOBBY bought 1 item for a total of \$11.11  
1 - DVD
- Dec 19: BOBBY bought 7 items for a total of \$622.94  
14K.YG.RNG.GEM.6PW.19.8USBLE.M

## Guest Profile After Opting In

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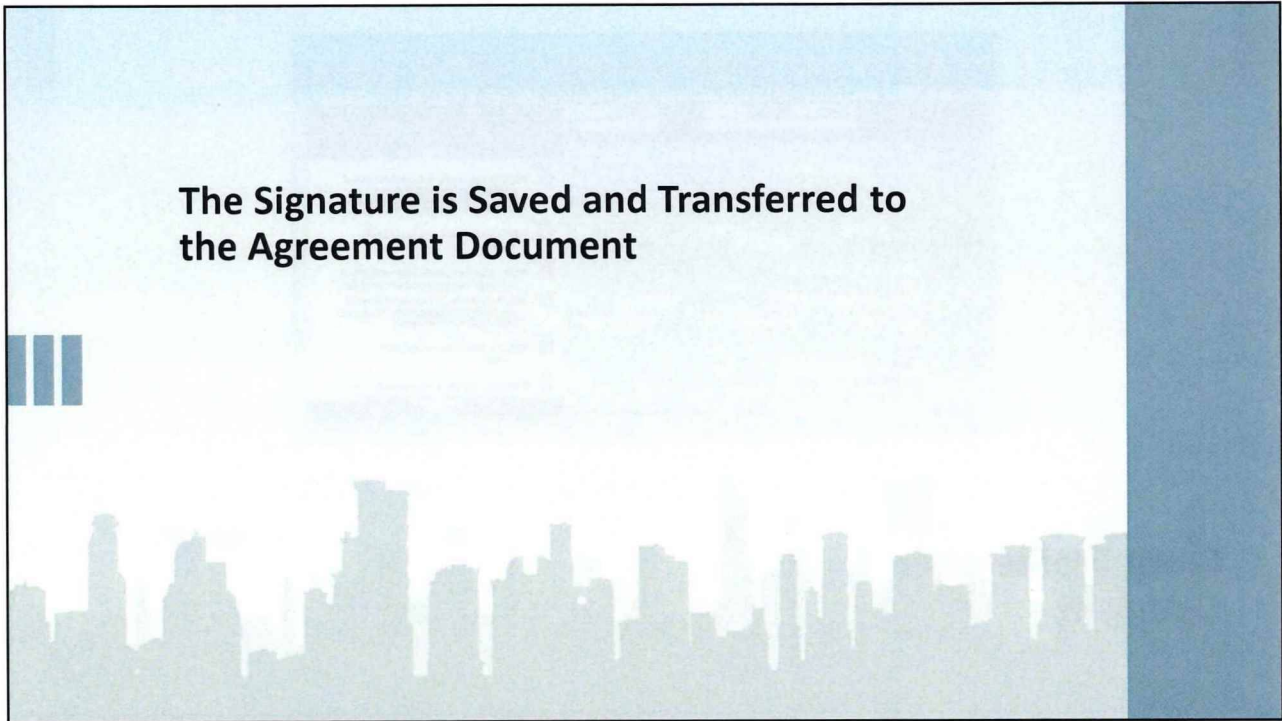


Please Sign In The Box Below  
ARBITRATION AGREEMENT  
By signing below, you acknowledge receiving the attached arbitration agreement which is part of this agreement

*Bobby J Temple*

## The Guest Electronically signs to Accept the Terms of any New Agreement

18



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## Included in the Agreement are the Notification Terms

You authorize us to call any telephone number you have given us or you give to us in the future and to play prerecorded messages with information about the Pawn Agreement over the phone. You also give us permission to communicate such information to you by e-mail or Text Message. You understand that, when you receive such calls or e-mails, or Text messages, you may incur a charge from the company that provides you with telecommunications, wireless and/or internet services. You agree that we will not be liable to you for any fees, inconvenience, annoyance, or loss of privacy in connection with such calls or e-mails or Text messages. You understand that anyone with access to your telephone, answering machine or email account may listen to or read the messages, notwithstanding our efforts to communicate only with you. This authorization is part of this Agreement and we do not intend it to be revocable. However, to the extent we are required by applicable law to allow you to revoke your consent to these automatic reminders, you may do so by contacting us at 1-952-252-9199 or by visiting <https://myaccount.pawnamerica.com> or by writing to Pawn America Minnesota, LLC.

By signing below, you the Pledgor, also authorize _____ _____ Original Pledgor's Signature _____ Official Notary Signature and Seal _____	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="2" style="text-align: center; font-size: small;">IDENTIFICATION OTHER THAN PLEDGOR</th> </tr> <tr> <td style="width: 50%; font-size: small;">Name (Last Name First)</td> <td>_____</td> </tr> <tr> <td style="font-size: small;">Address/Telephone No.</td> <td>_____</td> </tr> <tr> <td style="font-size: small;">Driver's Lic. No.</td> <td style="font-size: small;">Other I.D. Type and No.</td> </tr> <tr> <td>_____</td> <td>_____</td> </tr> </table>	IDENTIFICATION OTHER THAN PLEDGOR		Name (Last Name First)	_____	Address/Telephone No.	_____	Driver's Lic. No.	Other I.D. Type and No.	_____	_____
IDENTIFICATION OTHER THAN PLEDGOR											
Name (Last Name First)	_____										
Address/Telephone No.	_____										
Driver's Lic. No.	Other I.D. Type and No.										
_____	_____										

By signing below, you acknowledge receiving the attached arbitration agreement which is a part of this Agreement.

\_\_\_\_\_  
 Pledgor's Signature
 

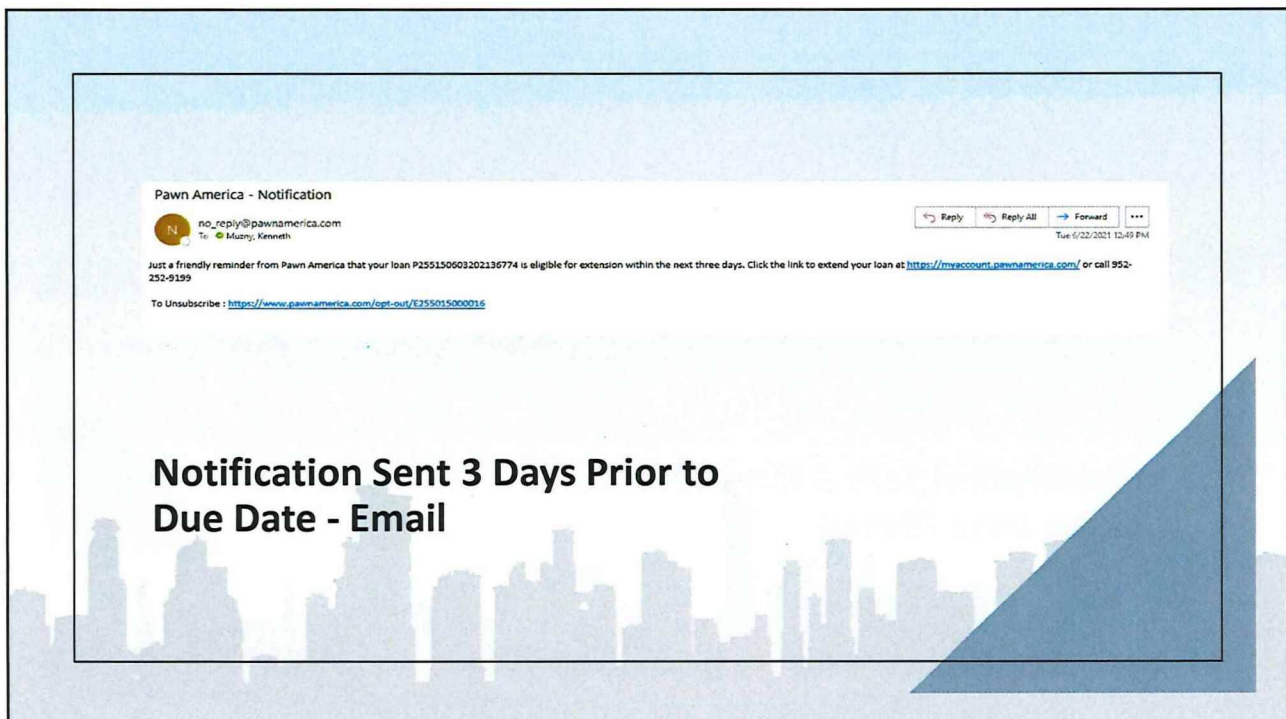
 05/20/2021  
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 Date

20

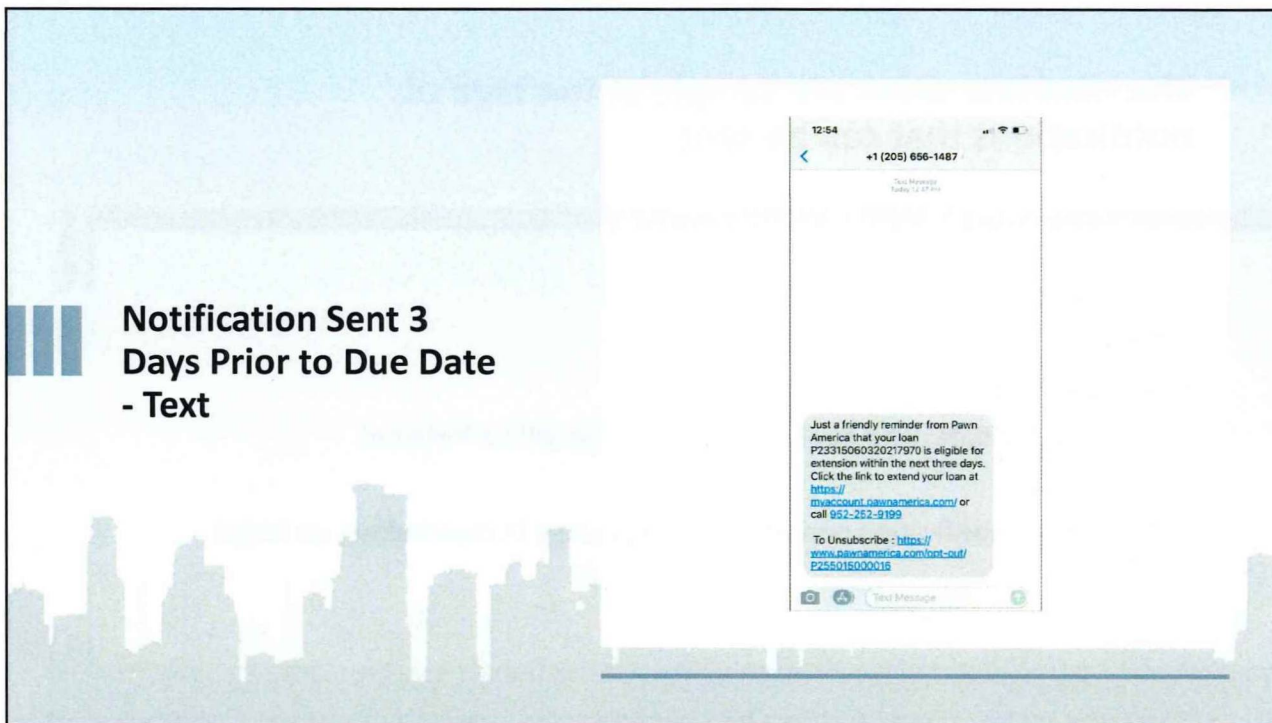
## The next few slides are sample of the type of notifications that can be sent.

- 3 days prior to Due Date
- On the customers Due Date
- On the Grace date. (the day before the item(s) will be forfeited.
- Note: These notification periods are configurable (X days before, on target dates)

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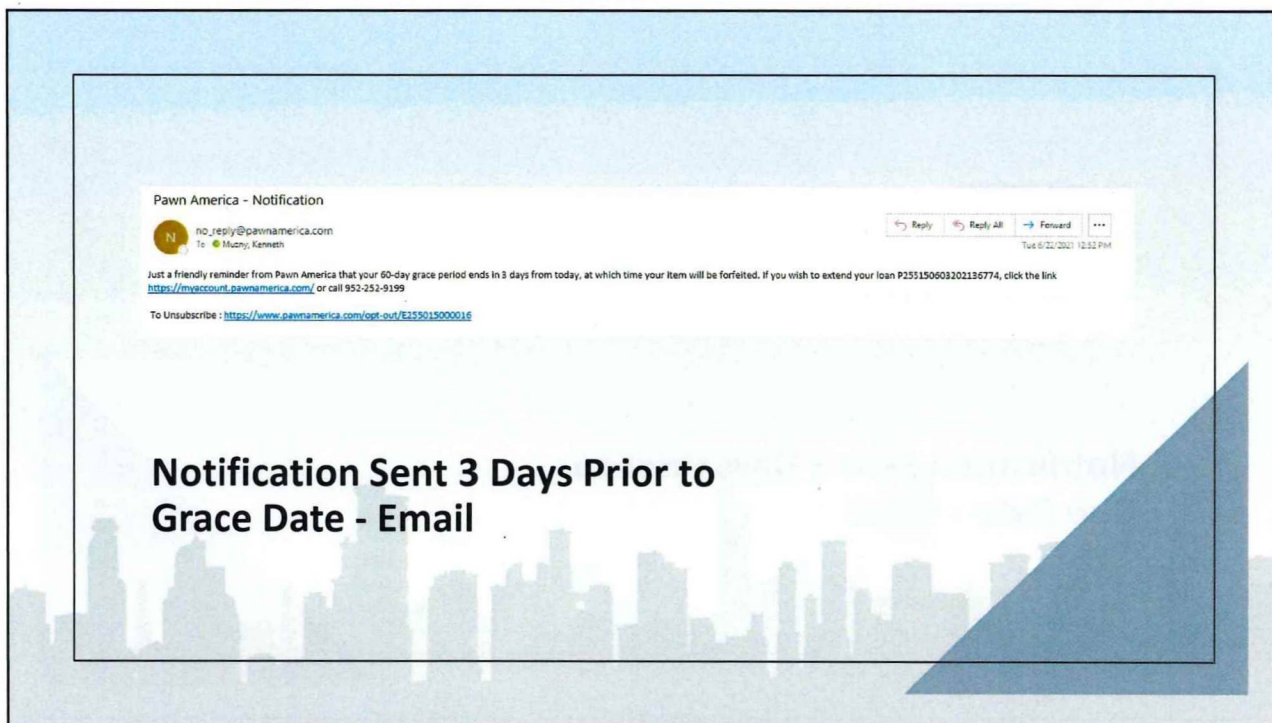


22



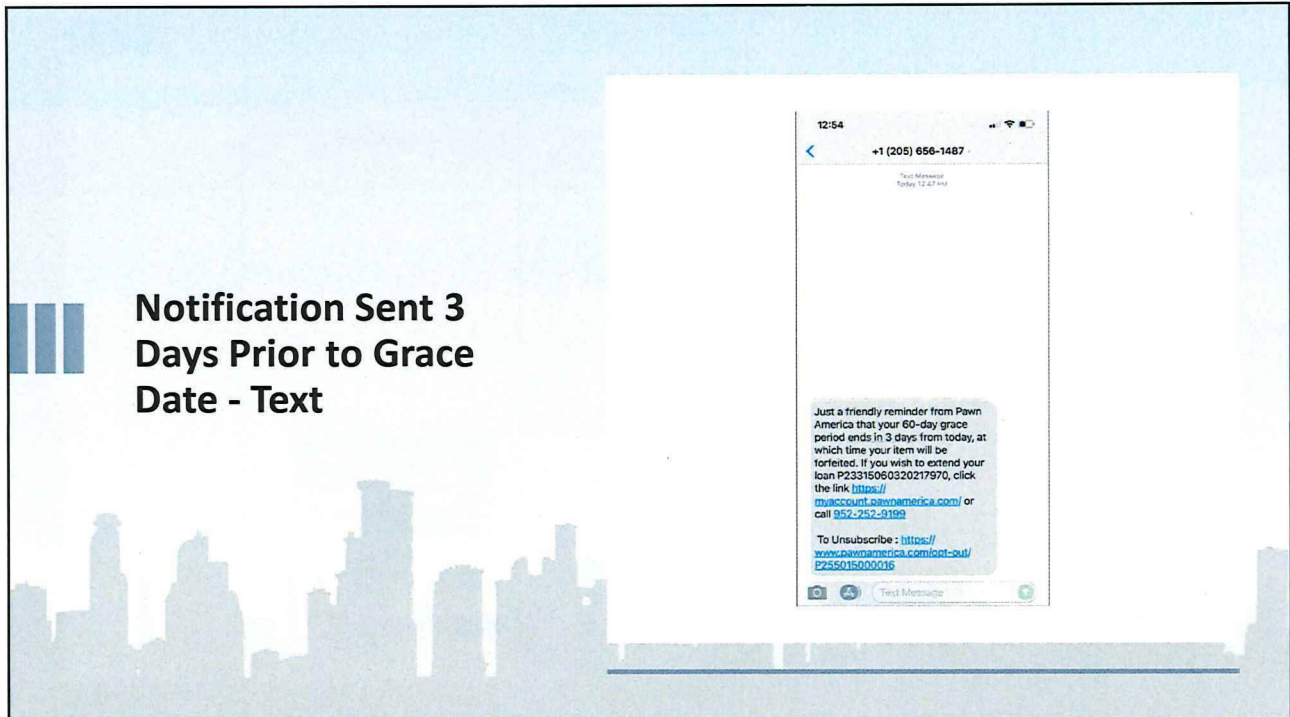
**Notification Sent 3 Days Prior to Due Date - Text**

23



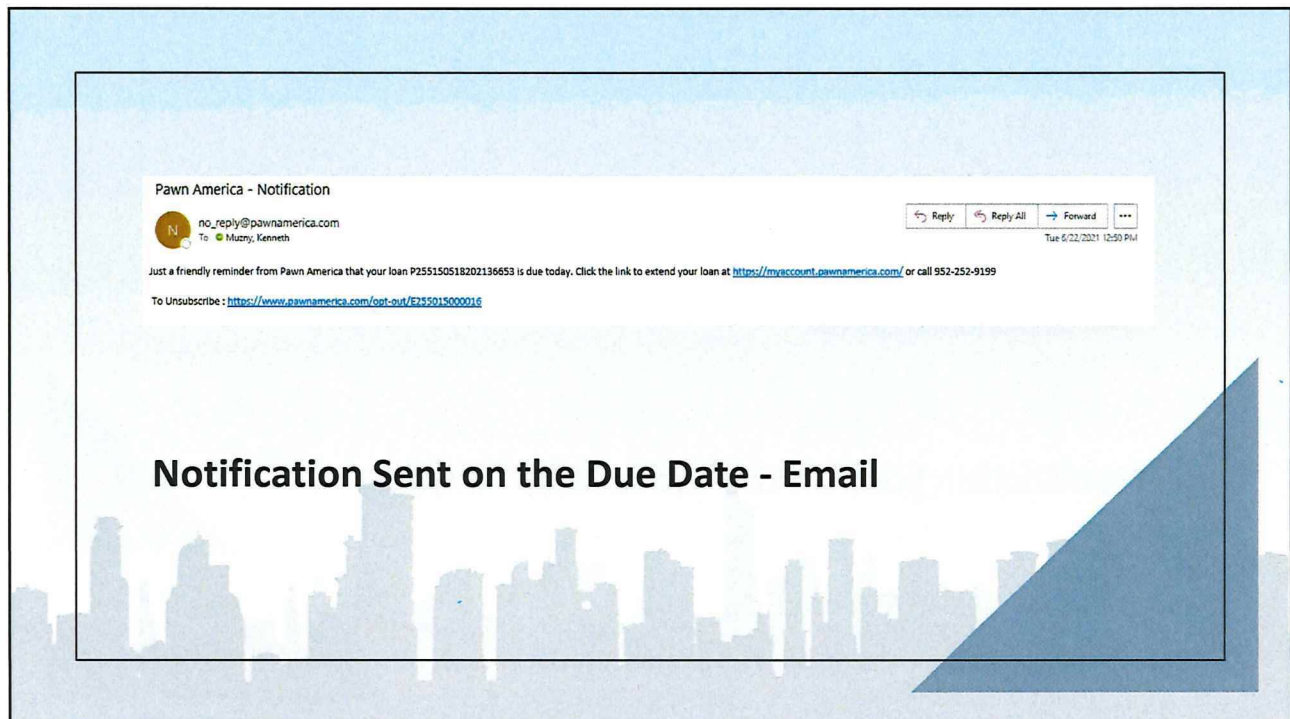
**Notification Sent 3 Days Prior to Grace Date - Email**

24



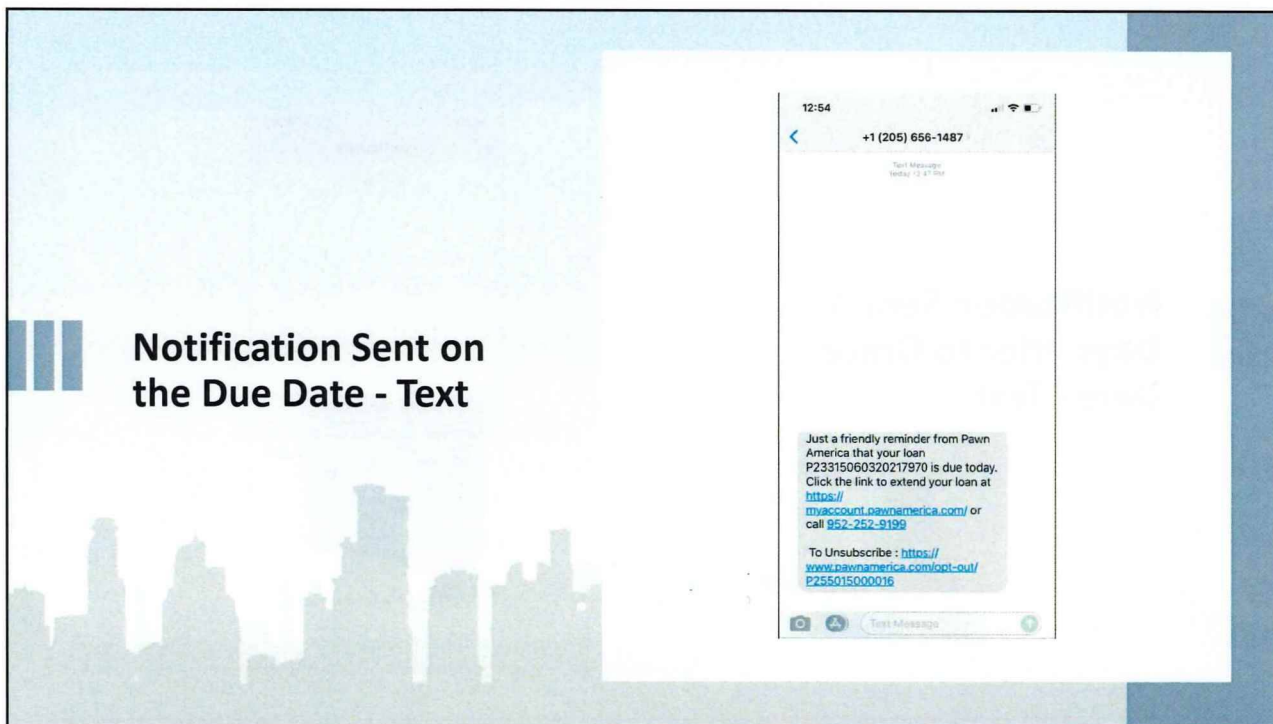
**Notification Sent 3 Days Prior to Grace Date - Text**

25

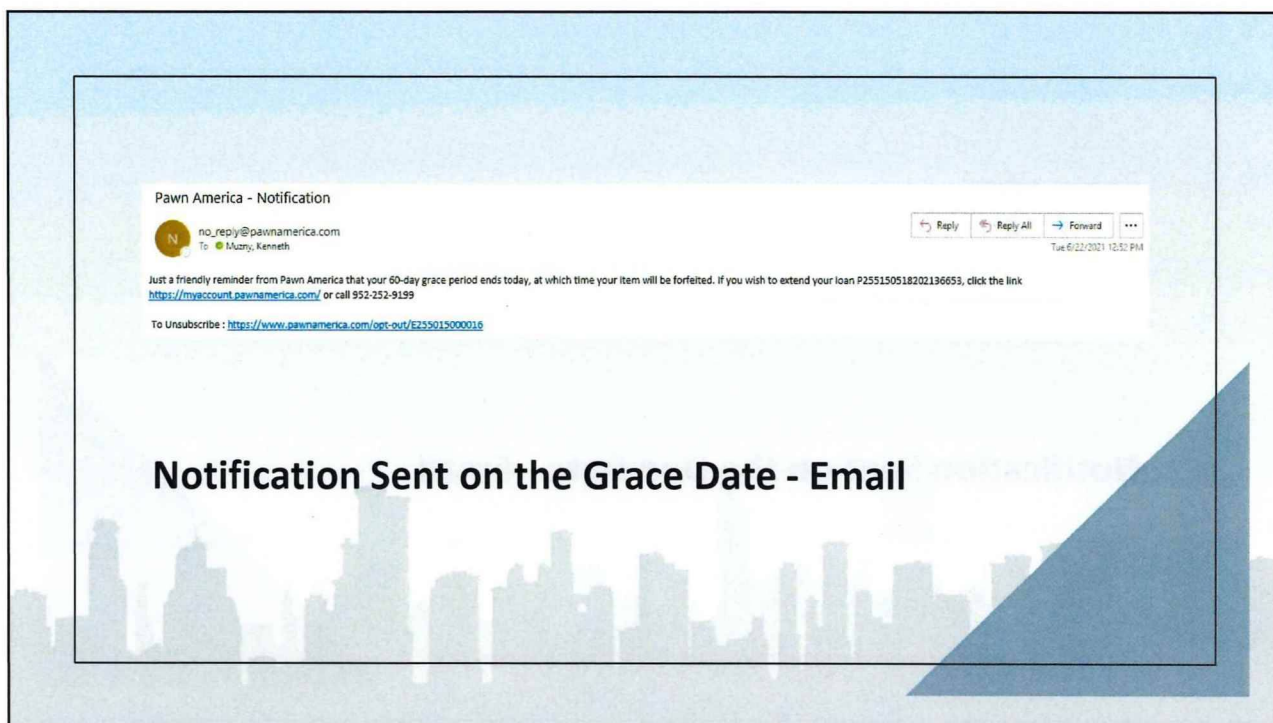


**Notification Sent on the Due Date - Email**

26

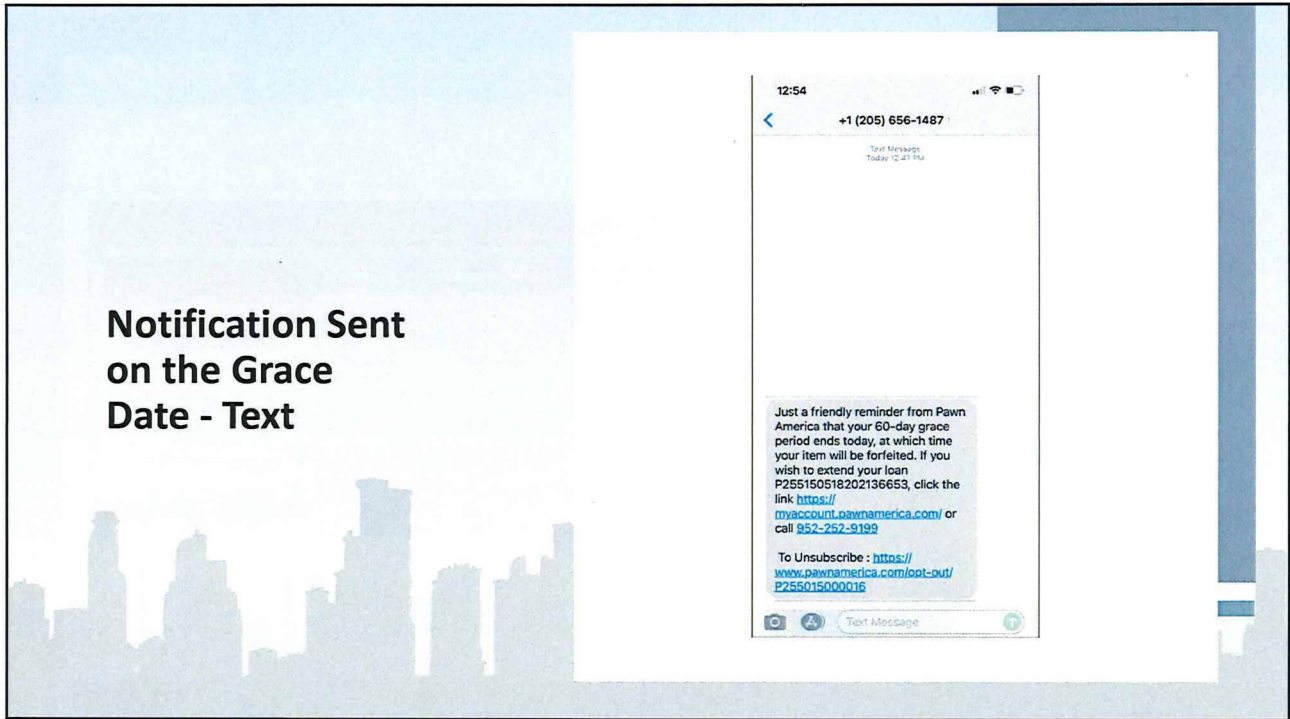


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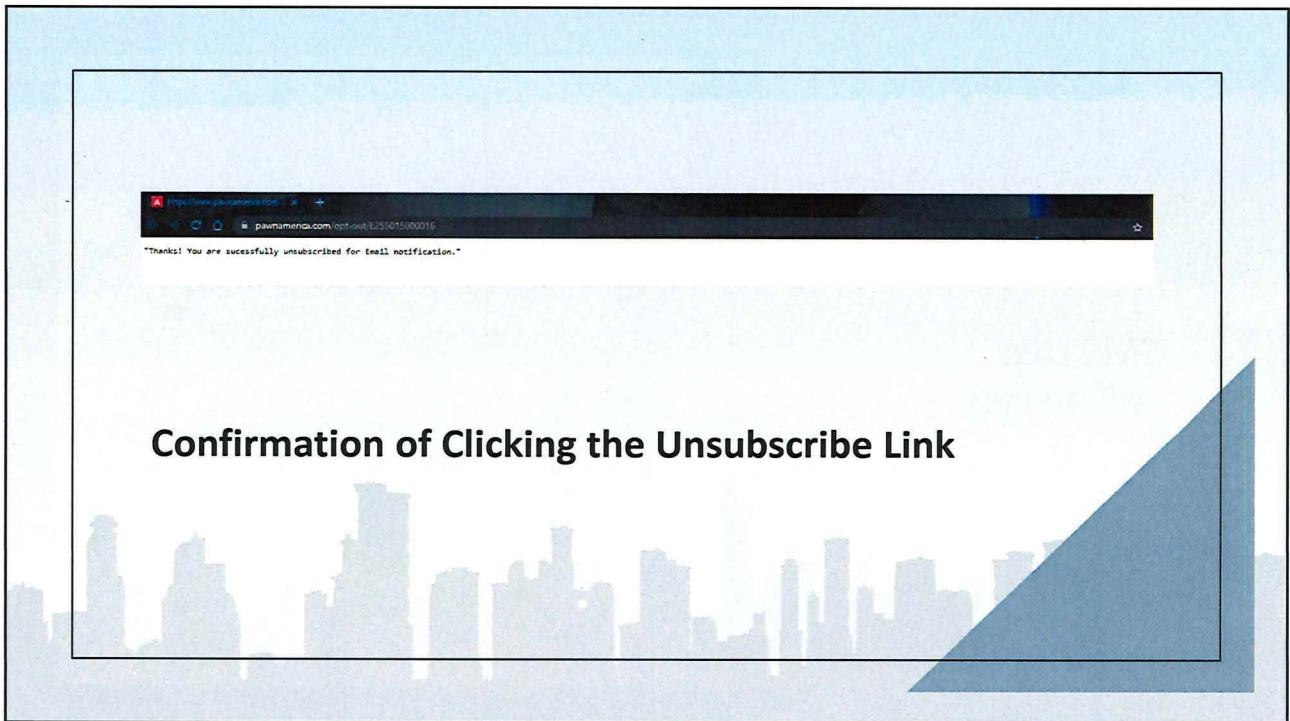


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## Guest Profile After Opting Out

**BOBBY J TEMPLE** | Customer # C22381362819 | Customer Since: 08/12/2013 | Loyalty Points: 936

CONTACT INFO | GROUPS & FEES | PURCH. HIST. | PAWN HIST. | CUST ACCT. | LOYALTY | COMMENTS | CHECK HIST. | ADDRESSES | FINGERPRINT

First Name: **BOBBY** | Middle: **J** | Last: **TEMPLE**  
Company: | Type: |

**ADDRESS**  
Address: 721 7th St N | Opt for mailing Address:  Yes  
Apartment: |  
Postal Code: 52293 | City: Moline/Iowa | State: WI - Wisconsin |  
ID Address Different than Above:  No | US - UNITED STATES

Address: | Apartment: |  
Postal Code: | City: | State: |

**PHONE / EMAIL**  
Mobile/Cell: 52-417-4882 | Opt for Text Msg:  Yes | Opt for email Notification:  Yes  
Home: | | Email: bobtemple@paranamerica.com

**Activity Stream**

- Today: BOBBY bought 2 items for a total of \$1,913.99  
CHANGS STRL D25,11239724114C  
VOSA, OTHER NONE NONE25 DVD5, ALIAS,  
QUANTRE, TWISTE, MADSA GDS5 TO
- Jan 19: BOBBY bought 1 item for a total of \$28.50  
1 - DVD
- Jan 15: BOBBY returned 1 item for a total of \$1,199.99  
RINC, WED, ITW, 14K, WGA, 340, 1, DIA, 2, 9, TC
- BOBBY bought 2 items for a total of \$3,399.99  
RINC, WED, ITW, 14K, WGA, 340, 1, DIA, 2, 9, TC,  
BRACEL, LK, 14K, WGA, 350
- Jan 30: BOBBY bought 1 item for a total of \$11.51  
1 - DVD
- Jan 18: BOBBY bought 7 items for a total of \$622.04  
LX, VG, RINC, GEM, 8MM, 1, 1, 1, 1, 1, 1, 1

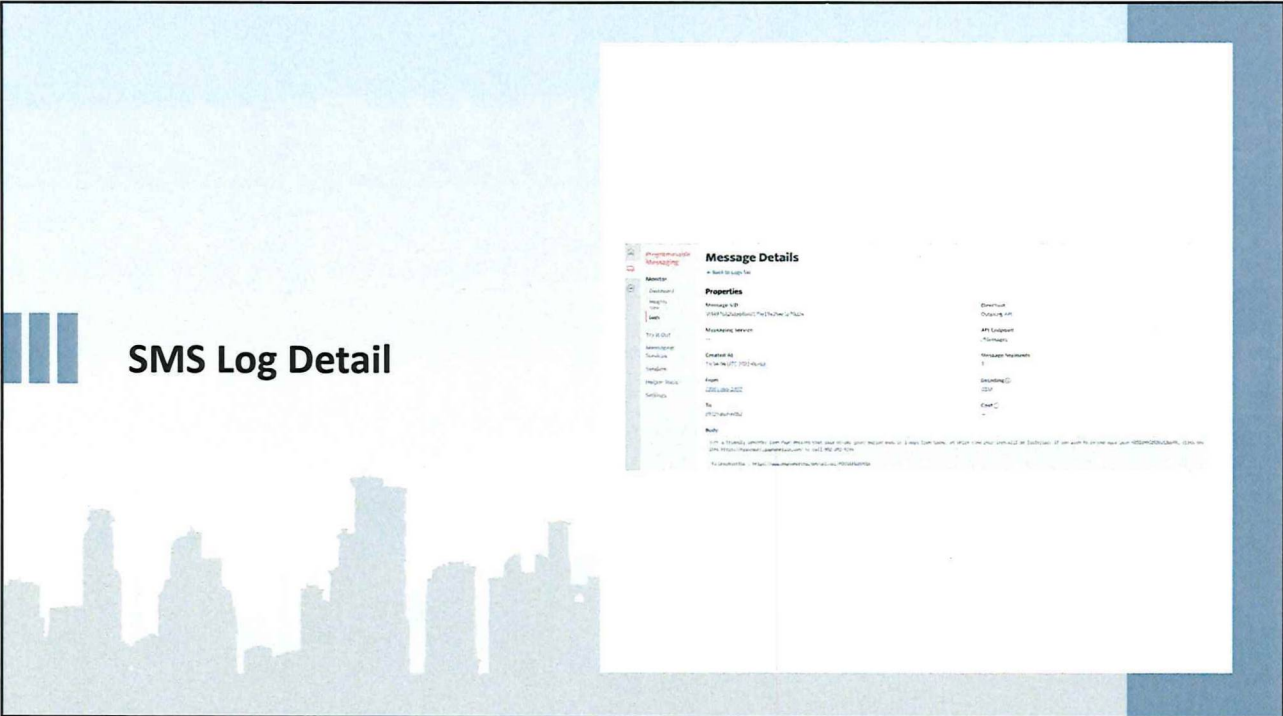
31

## SMS Logs will be kept

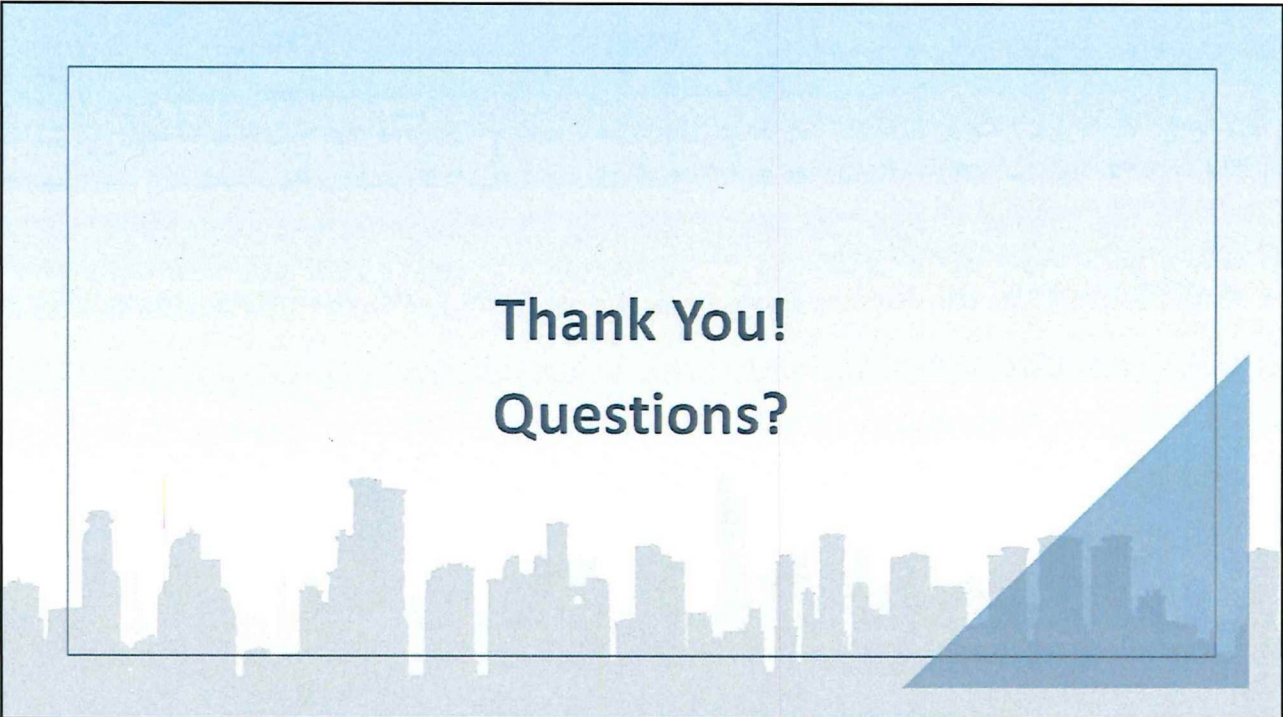
**Programmable Messaging Logs**

ID	DATE	MESSAGE	DIRECTION	FROM	TO	# SECONDS	STATUS	MEDIA
1000000001	2022-01-15 10:00:00	Hi Bobby!	Outgoing	525-417-4882	525-417-4882	1	Delivered	
1000000002	2022-01-15 10:00:00	Hi Bobby!	Outgoing	525-417-4882	525-417-4882	1	Delivered	
1000000003	2022-01-15 10:00:00	Hi Bobby!	Outgoing	525-417-4882	525-417-4882	1	Delivered	
1000000004	2022-01-15 10:00:00	Hi Bobby!	Outgoing	525-417-4882	525-417-4882	1	Delivered	
1000000005	2022-01-15 10:00:00	Hi Bobby!	Outgoing	525-417-4882	525-417-4882	1	Delivered	
1000000006	2022-01-15 10:00:00	Hi Bobby!	Outgoing	525-417-4882	525-417-4882	1	Delivered	
1000000007	2022-01-15 10:00:00	Hi Bobby!	Outgoing	525-417-4882	525-417-4882	1	Delivered	
1000000008	2022-01-15 10:00:00	Hi Bobby!	Outgoing	525-417-4882	525-417-4882	1	Delivered	
1000000009	2022-01-15 10:00:00	Hi Bobby!	Outgoing	525-417-4882	525-417-4882	1	Delivered	
1000000010	2022-01-15 10:00:00	Hi Bobby!	Outgoing	525-417-4882	525-417-4882	1	Delivered	

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