CONNECTICUT ASSOCIATION OF PAWNBROKERS INC.

503 Lakewood Road, Waterbury, CT 06704 tel. 203-753-7591

Re: **Opposition to House Bill #6519 (Raised)** **2-26-09**

Good morning Chairmen Colapietro and Shapiro and members of the General Law Committee. For the record my name is Jay Sargent and I represent the CT Assoc. of Pawnbrokers and TC's Pawn Company of Waterbury and East Hartford. I am here today to speak in Opposition to House Bill 6519.

The proposed changes of the general statues would have adverse and devastating effects on numerous businesses and many consumers throughout CT who utilize our services and are already struggling in this difficult economic climate

- The influx of capital needed to maintain business during a 45 day period would be astronomical for small businesses that rely on a positive cash flow through the refining of precious metals and retail sales of other jewelry items purchased.
- The logistics and expense of providing and insuring safe storage of items for such a long period of time could not be absorbed by our small businesses.
- This will create an unfair business field with out-of-state sell your gold by mail companies and/or companies that come in from out of state with their "gold buying events" that are not licensed, keep no records, take the gold and run.
- More importantly, consumers will suffer - businesses in our respective industries pay anywhere from 60%-80% of market price for precious metals and other jewelry items. With the market constantly fluctuating, it would be impossible to offer consumers a fair market value, gambling on where the market may fall in 45 days.

I have participated along with other members of our Association throughout my 25 years in the industry to bring needed growth, change and integrity when dealing with consumers and law enforcement agencies throughout CT.

For many years we have voluntarily given jewelry purchases a 5 day holding period before disposing of them. In recent years many municipalities have enacted this requirement as part of the licensing procedures. We have found that this is a reasonable period to aid in the recovery of stolen property along with the descriptive records that are reported weekly.

Over the years, licensed businesses have assisted in the recovery of 1000,s of stolen items and in the successful prosecution of the perpetrators.

We understand that the photographing of jewelry items may assist in the recovery of stolen property. Many of our members already do this for their respective local law enforcement agencies. The 45 day holding period is misdirected towards legal, licensed businesses and is better apt if aimed at policing of "fences and fly by night dealers" who are not licensed and traceable.

We ask the committee to refocus their intentions toward those unlicensed dealers and to protect the commerce of the small businesses already working within the law and with law enforcement agencies to best serve CT communities.

If there are any questions I will be happy to address them. Also, I would welcome any of the committee members to visit one of my locations to see how we operate and cooperate with law enforcement agencies.

Thank you for your time this morning and for giving me an opportunity to address the committee.

Jay Sargent
President, CT Assoc. of Pawnbrokers Inc.
Partner, TC's Pawn Company Jewelry & Electronics Exchange
Chairman, WSLR Business Assoc. of Greater Waterbury, A Division of Waterbury's Regional Chamber