

# CONNECTICUT ASSOCIATION OF PAWNBROKERS INC.

503 Lakewood Road, Waterbury, CT 06704

tel. 203-753-7591

Re: **Opposition to House Bill #5472 (Raised)**

**3-18-10**

Good Afternoon Senator McDonald and Representative Lawlor and members of the Judiciary Committee. For the record my name is Michael Martorelli and I am here today representing the CT Assoc. of Pawnbrokers to speak in Opposition to House Bill 5472.

Pawnbrokers in CT are small privately owned businesses that employ hundreds of people across the state. Our businesses support our families, employee's families and the service we provide to our communities help thousands of families in this state to support themselves during difficult times as we have for decades.

Our Association and its members understand the issue that caused this bill to be raised, that's why we asked the Public Safety Committee to raise House Bill 5342. House Bill 5342 addresses many of the concerns raised in this bill. It includes comprehensive reform as well as clarification to current statutes not addressed in this Bill. We are currently working with the Police Chiefs Association and the States Attorney's Office as well as any other interested parties to have a comprehensive Bill the industry can support. We are not opposed to some of the concepts or intent of this bill in its entirety, but there exist language within this bill that would be detrimental to our businesses and thus to the employees we employ, their families, our customers and the communities we support.

Among other issues, this bill groups many unique businesses together. Although these businesses do have similarities, they are unique in their own rights. The Public Safety Committee heard testimony about exempting certain groups from any changes. We believe that the similarities in our industries **NEED** to be regulated alike, such as licensing, record keeping and holding periods. These similarities need to be addressed within their own respective statutes to provide continuity among the industries in these areas but should not be included in the pawnbroker statutes.

In 1997, our Association worked together with legislators to make comprehensive changes to Pawnbroker Statutes. Among these changes were to allow pawnbrokers to charge for items pertaining to the transactions and to have pawnbrokers pay by check, draft or money order and allow them to cash their own check, bank draft or money order, therefore creating a paper record of the transaction. This allows our customers to leave our business with cash in hand that they need and would not be able to get otherwise. A large percentage of our customers are unbanked and would absorb an extra cost in order to cash a check. (*i.e. Wachovia Bank charges \$5.00 to cash a check for a non depositor*) The greater percentages of our clientele live on a tight budget and rely on the services of their local pawnbroker to make ends meet. These are key issues that allow our businesses to stay afloat and provide the services we provide to those customers who utilize them.

We ask that you do not move forward with this bill and instead, allow the work to continue on the comprehensive reform of House Bill 5342, which will be before this Committee for a vote.