

Connecticut Association of Pawnbrokers

Mailing Address: 503 Lakewood Road, Waterbury, CT 06704

February 23, 2011

Re: SUPPORT GL Raised Bill #83; AN ACT PROHIBITING THE SALE OF JEWELRY THROUGH THE MAIL ON THE SECONDARY MARKET

Dear Committee on General Law,

My name is Jay Sergeant, I represent the CT Assoc. of Pawnbrokers in support of raised Bill 83. I am a partner with TC's Pawn Company of Waterbury, CT and President of the CT Association of Pawnbrokers.

We support Bill 83. We are currently working with the Public Safety Committee and other interested parties on House Bill 5795 on comprehensive changes in the licensing and reporting for our industry and those alike within the state of CT. This Bill will be before you in the coming weeks.

Similar to Bill 83, one of the purposes of HB 5795 is also to curb the fencing of stolen goods. A large majority of businesses in our industry have been working together with local law enforcement for many years towards the recovery of stolen jewelry, by reasonable voluntary holding periods, identification of the persons we purchase from and some by keeping a photographic record of jewelry purchases. All of these tasks have assisted in the recovery of thousands of pieces of jewelry and heirlooms for victims of crimes.

A goal would be to see conformity throughout similar industries as well.

"Mail your Gold", "Hotel Gold Buyers" and home "Gold Parties" have gone on unregulated or with minimal regulation at best for many years. Since the hike in the gold market over the last couple of years they have combined, become a billion dollar industry in the U.S. In most cases there is no reporting of items purchased, positive identification of the person selling, licensing or any chance for recovery of stolen items for the victims or prosecution for the perpetrators.

Furthermore, in these difficult fiscal times, the State of CT is losing enormous amounts of taxable income from the companies that are operating "under the radar" and are able to avoid paying tax on the income derived from the refining of the gold being purchased. Most of these companies are not registered in CT and therefore avoid paying taxes in the manner that our CT based companies do. All of these "Mail your Gold" and "Hotel Gold Buyers" and alike, simply take this product out of state never to be seen again.

I personally have heard many unpleasant stories of these type of companies taking advantage of CT Consumers in regards to amounts being paid for their precious items

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and even the difficulty of receiving payment at all, with very little recourse available to them, many times all they can do is file a complaint. Unfortunately, with little or no regulation on these out of state companies, it is difficult for any state agency to receive any type of satisfactory result.

We believe any legislation reform to ensure proper licensing, the reporting of transactions and a holding period to give law enforcement an opportunity to recover property that has been stolen as it is with pawnbrokers, is in the best interest of any victim, consumer and law enforcement alike. The victims of such crimes should have *all* reasonable opportunities' to have their valuables recovered from ANY BUSINESS, including those out of state.

We would like to see the language in Bill 83 expanded and passed during the 2011 session. Simply put, Bill 83 is good for victims and law enforcement.

As always our Association is open to working together with Legislators and other interested parties in the best interest of the public's safety and our business community.

Respectfully,

Jay Sargent
President, CT Association of Pawnbrokers Inc.
Partner, TC's Pawn Company of Waterbury
503 Lakewood Road
Waterbury, CT 06704
Tel. 203-753-7591