

**PRINCE GEORGE'S COUNTY COUNCIL  
AGENDA ITEM SUMMARY**

**Meeting Date:** 9/30/97

**Reference No.:** CB-29-1997

**Proposer:** Del Giudice

**Draft No.:** 2

**Sponsors:** Del Giudice

**Item Title:** An act concerning Secondhand Dealers and Pawn Dealers for the purpose of defining pawn dealers; restricting the number of licenses; providing for the licensing of employees; increasing licensing fees; increasing the retention period for pawned and sold items; and making related clarifying amendments

**Drafter:** Ralph E. Grutzmacher  
Legislative Officer

**Resource Personnel:** Therese Yewell  
Legislative Aide

**LEGISLATIVE HISTORY:**

**Date Presented:** 3/4/97

**Executive Action:** 11/10/97 S

**Committee Referral:** 3/4/97 PZED

**Effective Date:** 12/26/97

**Committee Action:** 4/22/97 HELD

**Committee Action:** 6/4/97 HELD

**Committee Action:** 7/3/97 HELD

**Committee Action:** 9/15/97 FAV(A)

**Date Introduced:** 9/30/97

**Pub. Hearing Date:** 10/28/97 1:30 P.M.

**Council Action:** 10/28/97 ENACTED

**Council Votes:** DB:A, SD:A, JE:A, IG:A, TH:A, WM:A, RVR:A, AS:A, MW:A

**Pass/Fail:** P

**Remarks:** \_\_\_\_\_

**PLANNING, ZONING & ECONOMIC DEV. COM. REPORT**

DATE: 9/15/97

Committee Vote: Favorable as amended, 3-0 (In favor: Council Members Del Giudice, Maloney and Wilson).

Council Member Del Giudice gave an overview of a Draft-2 of the bill indicating that this legislation limits the number of licenses to reflect the current number of licensees in the County. He requested updated information from the Director of the Office of Business and Regulatory Affairs regarding how many licenses have been issued, how many are being utilized and if the businesses are operating in the location for which the licenses were issued. Mr. Del Giudice also questioned if the definition for pawn dealer contained in the legislation affects the status of the licensees and how many of these may be secondhand dealers and not pawn dealers.

Ralph Grutzmacher, the Legislative Officer, gave an overview of the bill explaining that Draft 2 distinguishes between pawn dealer and secondhand dealer, requires that employees of both types of businesses be licensed, sets a maximum number of licenses at 38, permits only intrafamily transfers of licenses, amends the process of how pawn items are reported to the County Police Department allowing an electronic submission between the pawnshop and the Police Department, extends the retention period from 18 to 30 days and provides for imposition of civil fines for violation of the regulations.

Mr. Grutzmacher suggested that language be added to the legislation indicating that the moratorium on pawnshops would no longer be in effect once CB-29-1997 is effective. On page 8, line 9, a new Section 3. was added as follows: "BE IT FURTHER ENACTED that the provisions of CR-6-1997 will be of no further force and effect after the effective date of this Act." The amendment requires that the language addressing the effective date of the bill, previously contained in Section 3, be included as an additional Section 4., beginning on page 8, line 11.

The Committee voted favorably (3-0) on Draft 2 as amended.

#### **PLANNING, ZONING & ECONOMIC DEV. COM. REPORT**

DATE: 7/2/97

The discussion during this Committee worksession focused on the zoning legislation, CB-28-1997.

#### **PLANNING, ZONING & ECONOMIC DEV. COM. REPORT**

DATE: 6/4/97

Council Member Del Giudice began the discussion and the Committee's efforts to regulate pawnshops through business and licensing. The Committee discussed limiting the number of pawnshops that can operate in the County based on population and whether the total number should be limited based on the existing number of businesses operating in the County, reduced or not limited at all.

Council Member MacKinnon indicated that the existing number should not be reduced. Council Member Del Giudice spoke regarding a cap on the existing number and reducing this number through attrition. The Committee members agreed that licenses should not be transferable.

The bill was held in Committee.

**PLANNING, ZONING & ECONOMIC DEV. COM. REPORT**

DATE: 4/22/97

Staff gave an overview of the legislation. Council Member Del Giudice, the bill's sponsor, identified the goals associated with proposing the legislation in conjunction with CB-28-1997, also being considered by the Committee, as being able to have better regulation of pawnshop locations and to limit the number of pawnshops.

The Committee discussed permitting pawnshops in the C-M and C-S-C Zones and regulating the use in CB-28-1997 and amending CB-29-1997 to establish a maximum number of pawnshops that are allowed to operate in the County. A provision which would limit the number of licenses an individual can have was also discussed.

Jim Herl, Michael Arrington and Henderson Brown, representatives of the Prince George's Pawnbrokers' Association expressed their preference to regulating pawnshops in the licensing bill (CB-29-1997) as opposed to the zoning bill (CB-28-1997) also under consideration by the Committee since it may not be as difficult to amend a licensing provision if the regulations are not proving effective. In addition, the licensing bill would not create nonconforming uses and grandfathering of businesses. The Pawnbrokers' Association also disagreed with the regulation prohibiting the transfer of a business.

Alan Barron, Chief Operations Officer, First Cash (owner of Famous Pawnbrokers) and Joanna Davis, President of the Prince George's Pawnbrokers' Association and founder of Suitland Pawnbrokers, presented information concerning the operations of pawnshops to the Committee.

Jimi Jones, representing the Planning Board, and Chris Pouler, representing the Prince George's Municipal Association spoke in support of the legislation.

Council Member Del Giudice requested that the Police Department provide an updated list indicating the number of pawn dealers versus precious metal dealers.

The Committee agreed to take the outstanding issues associated with both CB-28-1997 and CB-29-1997 under advisement and to hold the bills in Committee.

**BACKGROUND INFORMATION/FISCAL IMPACT**

**(Includes reason for proposal, as well as any unique statutory requirements)**

The proposed legislation defines pawn dealers to distinguish pawn dealers from other secondhand dealers, restricts the number of pawn dealer licenses which may be issued to a ratio based on population and grandfathers existing licenses, provides for the licensing of employees, increases the annual licensing fee, permits limited transfers of existing licenses, and increases the retention period for pawned and sold items.

**CODE INDEX TOPICS:****Businesses*****Secondhand and Pawn Dealers***

Definition .....	5-233
Exceptions	5-235
Inspection by police .....	5-239
Licenses, Dealer's and Employee .....	5-234
Penalty	5-241
Police Department regulations .....	5-240
Prohibition of trading with minor .....	5-236
Purpose .....	5-232
Release of stolen property .....	5-238.01
Requirement for record .....	5-237
Retention of items .....	5-238
<u>Violations</u> .....	<u>28-265</u>

**Definitions**

Patuxent River Primary Management Area preservation area .....	24-101
<u>Pawn dealer</u> .....	<u>5-233</u>
Percolation rate .....	22-101

**Civil Monetary Fines or Penalties*****Miscellaneous Civil Violations******Specific Civil Penalties Prescribed***

Fire Code Violations .....	28-262
Grading, drainage, stormwater management, and erosion control violations .....	28-261
Historic Sites and Districts violations .....	28-264
<u>Secondhand dealer and pawn dealer violations</u> .....	<u>28-165</u>