

TESTIMONY FROM ROBERT MCCLUNG

EWA BEACH BUY & SELL LLC

SUBJECT: Relating To Pawnbrokers & Secondhand Dealers

SB 2567

As an owner of Ewa Beach Buy for approximately 20 years, less than 1/10 of 1 percent of items loaned or sold has been picked up by police. Our average transactions are for approximtely \$20-\$30. The majority of our customers are low income and to charge them \$1.50 per ticket is unfair to the customer. The customer will not sell or pawn if they have to pay \$1.50 PLUS interest. Instead they would end up selling it outside on the street or go to the swap meet where there is no control, no charge, no law to keep records of trasactions.

A few years ago, the holding period for all sales was 15 days. The police asked for 30 days so they could have more time which was agreed & which we complied. All my paperwork is ready to be picked everyweek. I have had calls from the pawnshop detail for our district who inputs the tickets on the SAME DAY. I don't understand why it takes 90 days as it was stated in the papers.

An example: When a \$10 loan is made, the pay back is \$12. NOW you add \$1.50. So now the customer is pay \$13.50 for a \$10 loan. Put yourself in the customer's place and ask yourself if it is a "GOOD DEAL"!!!

On the subject of thieves, they are unlikely to utilize the pawnshop too much. Due to the fact that everyone must be 18 years old with valid picture id and with a lot of shops havinge cameras. The chance of getting caught increases significantly. A large number of items stolen, are from family members or relatives & owners refuse to prosecute their loved ones.. Swap meet, yard sales, contruction sites, interenet, buy & sell ads in the newspaper are all avenues where a number of itens of being moved without no accountability or paperwork requirements. Only PAWNSHOPS are required to keep paperwork.

In summary, if the charge was transferred to the pawnshops it would be impossible to make small loans. An example, a \$10 loan with \$2 interest, \$1.50 charge, .50 (4 1/2 GE TAX), .06 (for 3-part paper). With a total cost of \$2.06 minus \$2.00 = -.06 before other costs are taken into account. So, there is no way to make small loans like \$10 to get gas to go work or to buy groceries.

I personally think this bill will force customers that can least afford it to sell on the street.

Thank for your time.


Robert McClung