

February 19, 2020

Senator J. B. Jennings
Maryland Senate Finance Committee
11 Bladen Street
Annapolis, MD 21401

Re: Opposition to S. 411

Dear Senator J. B Jennings,

My name is Howard Dubick and I am a pawnbroker in Essex, Maryland. As a pawnbroker in Baltimore County, I am very concerned that this bill will harm my local community and our state. **The bills' one-size-fits-all requirement would force pawn shops to close, killing an industry that is a stable safety-net that our customers rely on in their time of need.**

Our customers do not have access to traditional banking lines of credit. Our pawn transactions are not based on a customer's credit or income level. They are non-recourse transactions, based solely on the value of the personal property the customer brings in exchange for cash. **No one will check the customer's credit and they will never be sent to collections or forced into bankruptcy for failure to pay.** Almost 10% of US households have used pawn shops. The average pawn transaction in the U.S. is **less than \$150, the majority being under \$75,** and almost 85% of customers pay off their loans and redeem their collateral. Maryland pawnbrokers are highly regulated and licensed at the state or local level and typically report all transactions to law enforcement within 24 hours. Pawnbroker charges are competitive, market-driven, transparent with no hidden fees and are usually less than many "late payment charges" charged by utility companies, landlords, banks, or credit-card companies. And pawn shops are green, environmentally-sustainable businesses – they are the largest sellers of recycled goods in the country.

As an example of the need for pawnshops in the community, we have a customer that is a house painter and is diabetic. He can't afford his insulin during slow times and counts on obtaining cash from Essex Pawn to buy his medication. He pawns his paint equipment until business increases and uses the money to fund his treatments. He repeatedly tells us that we are "lifesavers" since he has no other means to pay for insulin.

Our customers are hardworking people who do not want a handout to pay a bill that ran higher than expected, or to cover emergency room charges or urgent vehicle repairs. They rely on our neighborhood pawn shops for the money to pay those expenses. I ask you to stop this harmful bill before it eliminates the availability of well-regulated, non-recourse credit sources that consumers depend on. **Thank you for your help with this urgent matter.**

Best Regards,

Howard Dubick
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