## Oregon Pawnbrokers Association Testimony on HB 2798

## Storage Fee: Current is 3% of the loan amount. Minimum \$2.00/Max \$100.

• Last changed in 2009

• Examples of the increased expenses associated with the Storage Fee:

Property Taxes: 2009 – \$30,041.73 (14.3% Increase)

2013 - \$34,330.00

Lease/Rent: 2009 – \$21,461.68 (3.5% Increase)

2014 - \$22,211.68

Security: 2009 – \$200 per month. Monitoring for all stores.

2014 – \$1,000 per month. Monitoring and onsite/after hours for all stores.

(400% Increase)

Insurance Costs: 147% Increase from 2004 to 2013

## Set-Up Fee: Established in 1998. 10% of the loan amount, \$2.00 minimum/Max \$100.

• Increased expenses associated with the Set-Up Fee:

Wages: 1998 – Minimum wage \$5.15 per hour (76.7% Increase)

2014 – Minimum wage \$9.10 per hour

Medical and Dental Insurance: 1998 – \$170.00 (199.2% Increase)

2014 - \$508.61

Benefits (Mandatory Sick Pay in the City of Portland): 1998 – 0

2014 – Est. \$7,200

Technology (Report requirements of the police departments):

Computers: 1998 – \$7,700 Est. (181.8% Increase)

2014 - \$21,700

ID Scanners: 1998 – 0

2010 - \$10,400

Thumbprint Readers: 1998 – 0

2014 - \$3,600

Cameras: 1998 – 0

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2014 - \$160

Internet Access: 1998 – 0

2014 - \$70.00 per month

Technical Support: 1998 – \$500 avg. per month (Est.) (200% Increase)

2014 - \$1,500 avg. per month

Licenses/Support: 1998 – 0

2014 - \$1,475 Annually for all stores

## **HB 2798 Compromise with DCBS**

Storage Fee Increased to 5% of the loan amount; Minimums Untouched; Maximums Increased to \$250.

- The Need: Pawnbrokers cost of daily business has increased dramatically (see survey information provided above).
- Proposal targets large loans only.
- Minimums purposely left untouched to protect access to small loans.

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