

SECONDHAND MERCHANDISE ADVISORY BOARD MEETING

Minutes: ___X___ Approved

___ Pending (Draft)

LOCATION: CROWN PAWN
130 EAST 3300 SOUTH
SALT LAKE CITY UT 84115
April 2, 2014, 2014
8:00am

BOARD MEMBERS PRESENT:

Mike Katsanevas, representative from pawnshop industry
Boyd Clark, representative from secondhand merchandise dealers industry
Dave Fadel, representative from secondhand merchandise dealers industry
Mike Millard, representative from law enforcement that works with pawnshops and SHMs
Leena Kumar, representative from Central Database
Richard Jorgensen, representative of the Utah Municipal Prosecutors Association

BOARD MEMBERS ABSENT:

Tracy Vanroosendaal, representative of the Utah Chiefs of Police Association
Brad Smith, representative from general law enforcement
Holly Cocco, representative of Statewide Association of Prosecutors
Brad Jenkins, representative from pawnshop industry
Mike Malay, representative from pawnshop industry
Dennis Harris, representative of Utah Sheriff's Association
Staci Larsen, representative from coin dealers
Brad Smith, representative from general law enforcement
Vacant board position, representative from secondhand merchandise dealers industry

DIVISION STAFF PRESENT:

Daniel O'Bannon, Director
Glen Minson, Investigator
David Pierson, Licenser

GUESTS:

Kari Roberts, Salt Lake Pawn Technician
Shelley Walker, Utah Department of Agriculture and Food – Weights & Measures
Brett Gurney, Utah Department of Agriculture and Food – Weights & Measures

The April 2, 2014 meeting of the Secondhand Merchandise Advisory Board (Board) began at 8:00am with Chairman of the Board, Mike Katsanevas, conducting the meeting. The Chairman called the meeting to order.

A quorum of at least nine (9) board members was not met at this meeting.

Agenda Items:

1. APPROVE PREVIOUS BOARD MEETING MINUTES

Chairman Katsanevas requested a motion to approve the minutes of the January 8, 2014 board meeting. Detective Millard noted that Board Member Brad Smith was listed in both the present and absent columns in the minutes. Chairman Katsanevas requested a motion to amend the minutes to remove Brad Smith's listing as present during January's meeting and pass the minutes as amended. Motion was presented by Millard and seconded by board member Boyd Clark. The motion was passed with a unanimous vote.

2. DIVISION UPDATE ON BEST PRACTICE PROPOSALS

Investigator Glen Minson introduced Daniel O'Bannon, Director of the Division of Consumer Protection (DCP) to the board to discuss best practice proposals. Director O'Bannon addressed past proposals for best practices and expressed a desire to work with the board and formulate a one page list of best practices for pawn and secondhand merchants to refer to for guidance. Investigator Minson then explained some of the nuances of administrative rules-making and the importance of keeping any best practice suggestions relating to statutory requirements. Chairman Katsanevas suggested a future meeting between DCP and representatives of the board to further develop best practices.

3. DIVISION UPDATE ON PROPOSED EXEMPTIONS

Investigator Minson then updated the board as to progress made toward crafting exemptions for the exemptions discussed at the November 6th, 2013 board meeting. Minson explained the desire to craft language that doesn't exempt certain items from the requirement to upload to the database. Minson informed the board that if language is crafted in a timely manner it may necessitate an additional board meeting before the scheduled August 6th 2014 meeting to present the exemptions to the board for their review.

4. DIVISION UPDATE ON BAIL BOND INDUSTRY INCLUSION INTO PSMTIA

Minson next informed the board of DCP's effort to reach out to the bail bond industry to have bail bond businesses that conduct transactions that would place them under the Pawn and Secondhand Merchant Transaction Information Act (PSMTIA) to register with DCP as other secondhand merchants are required to. The board then expressed concerns with licensing brokers vs. independent agents.

5. DIVISION UPDATE ON PENALTIES FOR ENTITIES THAT DID NOT ATTEND TRAINING IN 2013

Minson informed the board that entities that did not train in 2013 are being notified that if they don't attend one of the next two training sessions in 2014 will be assessed a fine. Minson advised the presenters to expect increased attendance at the next two sessions.

6. OPEN FORUM FOR DISCUSSION

Brett Gurney with Weights & Measures addressed the board to provide an update as to their efforts to continue to audit the accuracy of scales used in the purchase of precious metals. The question was raised as to whether the bail bond industry is using scales when taking in jewelry and other precious metals. Investigator Minson stated DCP will keep the board apprised as information is gathered.

Chairman Katsanevas inquired as to whether DCP has had any interaction with Wal-Mart in regards to their announced intention to purchase secondhand merchandise. Investigator Minson

relayed DCP's interaction with a 3rd party believed to be facilitating the purchase of secondhand goods.

7. MEETING ADJOURNED