

Montgomery County To Reconsider Dated Pawn Shop Law



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Passed in 1985, the county's pawn shop law is creating unexpected problems for today's consumers.

When they get back to work next month, Montgomery County lawmakers will take up a measure that would update parts of the county's nearly 30-year-old "pawn shop" law, which is causing unintended problems for consumers.

When it was passed in 1985, the law was designed to help police stop criminals who were selling stolen merchandise to pawn shops in exchange for cash. Those stores could no longer give cash to their customers; they could only pay them with checks, not even store credit, for goods they brought in.

Fast-forward nearly 30 years with great leaps forward in technology, and new complications have emerged.

"The big chains, like Best Buy and Apple, have programs nationwide that say you can bring in used electronic appliances and have them applied towards a new one," says Eric Friedman, head of Montgomery County's office of consumer protection. "They can't run those programs in Montgomery County if they have to pay by check only."

A bill the county council will take up next month would allow stores to offer credit or gift cards. Cell phones are the most common product swapped in the trade-in programs, though a spokesman for Best Buy says customers also often turn in their tablets for newer versions. Montgomery County is one of only a handful of places in the U.S. Best Buy doesn't have a trade-in program. The county's neighboring jurisdictions all do.

Friedman expects the council to quickly act on the change. "We have a new marketplace where we have devices that are updated frequently. Consumers want to be able to trade them in and get the latest version. And stores want to have programs that allow consumers to do that without making payment by old-fashioned means, which is payment by check only."

Thrift stores are also seeking the change, according to Friedman, after complaining of having to write checks for products that are worth as little as \$5.