



CITY OF CHICAGO • OFFICE OF THE MAYOR



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**STRONGER SECONDHAND DEALER AND PAWNBROKER REGULATIONS
INTRODUCED TO CITY COUNCIL**

The ordinance puts stricter penalties in place to mitigate the retail of stolen cellphones

CHICAGO – Mayor Lori E. Lightfoot introduced a measure to City Council to enhance regulation of secondhand dealers and pawnbrokers to further protect against the purchase and sale of stolen cellphones. The amendments raise penalties for dealing in stolen cell phones and introduce a license revocation provision for repeated violations.

"I am committed to safeguarding every resident and their property throughout our city," said Mayor Lightfoot. "While retailers continue to do everything in their power to prevent theft, we must supplement their efforts with every tool at our disposal to preserve the safety of the marketplace. These strengthened regulations are designed to curb the offense of selling stolen cellphones and prevent the repetition of these violations."

"Cell phone robberies and the subsequent resale of those stolen phones are a serious threat to public safety," said BACP Commissioner Kenneth J. Meyer. "While the vast majority of business operators comply with regulations, this ordinance ensures that the appropriate penalties are in place for those few operators who undermine the safety and fairness of the marketplace by buying and selling stolen goods."

The fine for violating Chicago's regulations pertaining to stolen cell phones would increase from a current range of \$1,000 to \$2,000, to \$2,000 to \$10,000 under the ordinance. A business that does not have a secondhand dealer or pawnbroker license but nonetheless buys, sells, or pawns secondhand goods would be subject to the same fines. Unlicensed operators would also be subject to the same revocation provisions, meaning that repeated violations would result in ineligibility to receive a secondhand dealer or pawnbroker license.

"Fair regulation of the second-hand cell phone market is important to protect consumers," said Leslie Hairston, 5th Ward Alderman. "Under this proposal, Chicago



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will be able to better protect the safety of residents and uphold fairness in the marketplace.”

“This is an opportunity to protect consumers who fall victim to deceptive practices,” said Sophia King, 4th Ward Alderman. “With stronger regulations, operators who do not comply will be held accountable.”

Since 2017 and through the end of 2020, BACP has conducted nearly 500 investigations of this industry, and found there to be a high rate of compliance among secondhand and pawnbroker businesses.

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