

Allegheny County Council

*County of Allegheny
436 Grant Street
Pittsburgh, PA 15219
Phone (412) 350-6490*



Meeting Minutes

Wednesday, December 9, 2015

4:15 PM

Conference Room 1

Committee on Public Safety

Jim Ellenbogen, Chair; Thomas Baker, Michael Finnerty, Nick Futules, Heather Heidelberg, Ed Kress, Bob Macey, William Robinson - Members

I. Call to Order

The meeting was called to order at 4:18.

Invited Guests:

Stephen A. Zappala Jr., District Attorney of Allegheny County or Designee
William D. McKain, CPA-County Manager or Designee

Mr. McKain was present from the Office of the County Manager.

Mr. McCarthy was present from the Office of the District Attorney.

Mr. Barker was present from the Office of County Council.

II. Roll Call

Members Present: 4 - Jim Ellenbogen, Michael Finnerty, Heather Heidelbaugh and Ed Kress

Members Absent: 3 - Tom Baker, Nick Futules and William Robinson

Members 2 - Sue Means and Terri Klein

Non-Members:

III. Approval of Minutes

[9322-15](#)

Motion to approve the minutes of the Public Safety Committee meeting of Allegheny County Council held on September 16, 2015

A motion was made by Finnerty, seconded by Kress, that this matter be Passed. The motion carried by a unanimous vote.

IV. Agenda Items

Ordinances

[9247-15](#)

An Ordinance of the County of Allegheny, Commonwealth of Pennsylvania, to facilitate the reporting of transactions for dealers in precious metals in order to establish a registry of such transactions designed for the purpose of tracking and locating stolen items and prosecuting those trafficking in stolen items.

Sponsors: District Attorney, Council Member DeFazio, Council Member Ellenbogen and Council Member Macey

At the request of the Chair, the clerk read the title of the bill and Mr. McCarthy provided an overview of the bill's provisions, noting that existing Commonwealth law requires that transactions involving precious metals be reported to the Office of the District Attorney, and that prior practice had been to direct dealers in precious metals to report transactions to the local police departments, but that this practice had resulted in information being lost in the transfer. Mr. McCarthy indicated that District Attorney Zappala and other District Attorneys and Sheriffs had collaborated on the establishment of a computerized database that allows virtually instantaneous access to the precious metal transaction records. Mr. McCarthy indicated that, as of April 1, there were six Counties participating in the electronic database, with roughly 180 licensed precious metal dealers providing reporting information and enforcement agencies throughout

western Pennsylvania using the data to recover over \$80,000 in stolen jewelry to date. Mr. McCarthy noted that drug forfeiture funds had been used to fund the startup hardware and software costs, but that there is an annual maintenance cost of roughly \$40,000 to \$50,000 associated with continuing the database. Mr. McCarthy noted that the fee would be reduced as more licensed precious metal dealers report transactions to the system, as the annual maintenance costs would be spread among more entities.

In response to questions from the Chair, Mr. McCarthy noted that Commonwealth law only covers metals, and not gemstones, ivory, or other similar substances, but that some municipalities, such as the City of Pittsburgh, have individualized ordinances relating to pawn shop and other similar transactions generally, which may catch transactions involving non-metallic substances.

In response to a question from the Chair, Mr. McCarthy noted that most of these transactions depend upon the weight of the metal involved, and that most of the transactions in question take place in person.

In response to a question from Mr. Finnerty, Mr. McCarthy noted that copper is not a precious metal under the terms of the statute.

In response to a question from Mr. Kress, Mr. McCarthy noted that pawn shop transactions are actually subject to regulation under Commonwealth laws relating to banking transactions, as those transactions are often in the form of loans against property offered as collateral.

In response to questions from Mr. Kress, Mr. McCarthy indicated that statute requires that the relevant records must be made available to law enforcement during reasonable business hours, and that there are no Fourth Amendment issues relating to this type of reporting or searching these types of transaction records. Mr. McCarthy also indicated that there have not been privacy issues relating to the database, either.

In response to a question from the Chair, Mr. McCarthy noted that agencies such as the State Police are using the system currently.

Ms. Heidelbaugh and the Chair discussed practices relating to discussing the bill in the absence of the District Attorney.

Ms. Heidelbaugh suggested a title change to reflect the authorization of the fee.

In response to questions from Ms. Heidelbaugh, Mr. McCarthy indicated that at least one precious metal dealer had expressed reservations about the database initially, but once they were walked through the database functions, they realized the potential of the database filings to assist in the inventory process. Mr. McCarthy also indicated that one dealer had expressed opposition to the fee, but that the others who had expressed an opinion on the subject of cost were concerned about the cost of computer hardware in order to meet the reporting requirement. Mr. McCarthy noted that a few other dealers had commented negatively regarding the fee, but that they had not been particularly persistent about it once they were informed that participation by additional dealers would reduce the amount of the fee.

In response to a question from Ms. Heidelbaugh, Mr. McCarthy noted that the ordinance does not spell out a payment for nonpayment of the fee, but suggested that an appropriate penalty might be withholding the offending dealer's annual license renewal pending payment of the fee.

Ms. Heidelbaugh suggested the merits of either adding a penalty provision to the ordinance or submitting a separate bill providing for penalties for Council's approval.

In response to a question from Ms. Heidelbaugh, Mr. McCarthy indicated that the fee would be attached to the next annual license renewal, whenever that becomes due for a given dealer.

Ms. Means and Ms. Heidelbaugh discussed the state law underlying the database.

In response to a question from Ms. Means, Mr. McCarthy noted that the annual license fee and the maintenance fee would be payable to the Treasurer.

In response to questions from Ms. Means, Mr. McCarthy noted that the establishment of the database actually lead to discovering a number of dealers who had to be licensed and which were not, and that this has increased the number of participating dealers, as would expansion of the database to cover additional counties.

In response to a question from Ms. Klein, Mr. McCarthy noted that there are no issues with out of state enforcement agencies having access to the database, but that dealers in other jurisdictions would not have to report their transactions.

In response to questions from the Chair, Mr. McCarthy indicated that each dealer must be licensed, but that one license would cover all locations operated by a given licensee within Allegheny County.

A motion was made by Finnerty, seconded by Ellenbogen, that this matter be Affirmatively Recommended. The motion carried by the following vote:

Members Yes: 3 - Ellenbogen, Finnerty and Kress

Members Abstain: 1 - Heidelbaugh

Members Absent: 3 - Baker, Futules and Robinson

Members 2 - Means and Klein

Non-Member:

V. Adjournment

The meeting was adjourned at 5:12.