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January 17, 2014

Honorable Kevin Mullin, Chair  
Senate Committee on Economic Development, Housing and General Affairs  
Vermont State House  
Montpelier VT 05633

Dear Senator Mullin:

I am writing on behalf of the 246 cities and towns members of VLCT to thank you for focusing attention on opiate addiction and its repercussions for public safety in our communities. Local government officials, who address these issues on a daily basis, are committed to helping to reduce access to drugs, reducing the accompanying property crime, securing treatment and rehabilitation services for addicts as quickly as possibly, and protecting the safety of Vermonters. We applaud the legislature's effort to address this difficult issue.

S.308, the bill to regulate precious metal dealers, is a significant piece of the puzzle. We believe that the bill's regulatory tools will deter the theft of precious metals to support drug addiction and will also protect the many honest precious metal dealers who provide a significant resource to Vermonters. We also believe that a strong statewide approach is the best approach. If regulation is less than statewide, suspect dealers will move from one jurisdiction to another, making effective regulation difficult.

While S.308 is a significant step forward, we are concerned that the bill leaves un-addressed some important issues and we urge you to include the following provisions in the bill:

- Theft and sale of portable electronic devices. As with precious metals, the opportunity to obtain quick cash for electronic devices is fueling theft of these items to support drug addiction. Purchase of used electronic devices needs to be addressed in S.308.
- Inclusion of antiques in the definition of precious metals. Excluding antique coins and antique precious metal items creates a large loophole in S.308 and does not protect these theft victims.
- Inclusion of disqualifying offenses occurring prior to January 1, 2015, as a basis for denial or revocation of a dealer certification. These convicted criminals should not get a free pass to operate a precious metal dealership.

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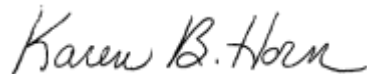
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- Expansion of the list of disqualifying offenses to include burglary. A conviction for the offense of burglary would not be a basis for revocation of a dealer certification under S.308.
- Lengthening the ten-day holding period. Should a person return from a vacation to a burgled home, he or she would have scant opportunity to even report the event before the ten-day limit was exceeded. We propose at least a 30-day holding period.
- Requiring a statement of the holding period to be prominently posted in the dealership for the benefit of all employees and customers.
- Requiring criminal background checks for all dealership employees, not just dealership principals.

We also believe that all levels of government, including municipalities, need to have effective tools to address this issue. Therefore, we request specific legislative authority for municipalities to adopt ordinances licensing dealers and charge a license fee to suspend or revoke licenses, to impose waiting periods and reporting requirements, and to impose enhanced civil and criminal penalties, notwithstanding the limitations in 24 V.S.A. §1974.

We are happy to meet with the committee to address these issues and answer any questions you may have.

Sincerely,

A handwritten signature in cursive script that reads "Karen B. Horn".

Karen B. Horn, Director  
Public Policy and Advocacy