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as long as each instance is below \$900, the crimes will never be prosecuted as felonies, despite total losses to the retailer or several retailers totaling thousands of dollars. H.224 is a much needed statute change intended to close this loophole.

29 Church Street, Suite 3-5  
Burlington, Vermont 05401  
802-863-1175

February 13, 2018

Representative Maxine Grad  
House Judiciary Committee  
115 State Street  
Montpelier, VT 05633

Dear Committee Member Grad,

I am writing to advocate for H.224: Crimes and criminal procedure; larceny and embezzlement; shoplifting; organized retail theft. The bill addresses a critical and ongoing problem for Vermont's retailers and small businesses. We urge the House Judiciary Committee to work toward moving H.224 to the House floor as soon as possible.

Vermont's retailers are targeted daily by retail theft, and the current retail theft laws do not take into consideration "Organized Retail Crime" (ORC), which is defined as retail theft that includes one or any combination of the following:

- Multiple people working in teams
- Multiple instances within a given time frame (i.e. 2- 3 thefts in one day, or repeated instances over a given course of days or weeks)
- Thefts that are valued at or above the \$900 felony level
- The use of "booster bags" (Aluminum foil lined bags)
- Tampering with in-store security tags

Currently, Vermont's laws make retail theft a simple misdemeanor if the dollar value is below \$900. A crime only reaches the felony level when an individual steals \$900 worth of merchandise or more in one instance. Current laws do consider retail theft a felony if "booster bags" are used or security tags are tampered with.

Organized retail criminals are keenly aware of the felony threshold, and use it to their advantage. An individual or group can steal multiple times over the course of days or weeks, and as long as each instance is below \$900, the crimes will never be prosecuted as felonies, despite total losses to the retailer or several retailers totaling thousands of dollars. H.224 is a much needed statute change intended to close this loophole.



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Current laws also do not account for teams working together, or strings of thefts. Felony charges can only be brought if the total value of merchandise stolen by one individual from a single establishment in one day exceeds \$900 (hitting multiple stores wouldn't count).

It is estimated that \$40 billion is lost in the U.S. annually to retail theft, and Vermont's retail businesses can attest to the significant negative impacts that retail theft has on their bottom lines. According to a survey we conducted, half of Vermont retailers have experienced instances of ORC, with the majority of instances involving multiple people working in teams.

We have heard from Theft Prevention professionals from several major Burlington retailers who report that their Vermont locations experience higher theft rates than other locations. We know that this issue was of particular concern at Macy's. The current statute is well known in the area and is likely serving to attract Organized Retail Criminals.

We urge the House Judiciary Committee to consider H.224, as it would provide a tool to help Vermont's businesses reduce the significant financial burden caused by ORC. Additionally, it is worth noting that surrounding states, including New Hampshire, Massachusetts, New York and Maine, have ORC legislature in place, making Vermont an easy target for retail crime.

To provide context regarding the gravity of this ongoing problem, we urge the committee to hear testimony from retailers who are on the front lines of these thefts every day. This testimony will underline the importance of this bill, and also help to craft legislation that will protect those it intends to. Currently, H.224 raises the minimum threshold for felony prosecution to \$2500. We advocate for the threshold be kept at \$900, since raising this minimum would have serious negative impacts upon retailers who are already losing significant revenue due to retail theft.

**We appreciate your attention to our concerns and ask that you consider H.224 during this year's legislative session.**

Sincerely,

A handwritten signature in black ink that reads 'Kelly Devine'.

Kelly Devine,

Executive Director