

## **Testimony: HB 2027-Operation of Secondhand Stores**

Madam Chairman, Members of the Committee: HB 2027 represents an opportunity to enable law enforcement to help victims who have had their property stolen.

I wanted to explain a little about my background. I am married, the father of two and have been a Lawrence Police Officer since 1991. In 1994, I was temporarily assigned to the Investigations Division as a Juvenile Investigator with my primary function being the investigation of a variety of forms of Child Abuse. In 1997, I was promoted to Detective. I have, also, taught and continue to teach our new recruits and sworn officers several specialized areas of police investigation. Although the following testimony represents my (and many of my colleagues) experiences, they do not necessarily represent the governing body of the City of Lawrence. The testimony represents the experiences of myself and the many who work in the Lawrence area, dealing with the daily real life issues this bill seeks to address.

### **Note:**

According to the Bureau of Justice Statistics about 11.7 million property thefts occurred in the United States in 2009. About 95.7 per 1,000 households experienced property thefts during this period. The National Institute of Corrections reported that in 2008 property crimes accounted for around 89.1% of the crime rate in Kansas; which is about 5% higher than the national average.

One of the issues facing law enforcement; which this bill addresses, is the tracking of stolen property. Many of the current pawn laws regulate the purchasing of used and or second hand property for businesses defined as Pawn Stores. However, Craigslist, Ebay, Ebay stores and other retail outlets have created a host of new second hand stores used to purchase and sell used games, game consoles, music, music devices such as popular iPods and other MP3 players etc. Some of these businesses do an excellent job of tracking the items they purchase, the amounts paid for the item, the serial number of the item they purchased (if it has one), collect personal information of the item's seller from proper identification. On the other hand, some of these businesses do not keep records of any kind and are reluctant to share any information they do collect about their transactions with law enforcement.

The main problem we are facing when it comes to solving auto and residential burglaries is the lack of documentation, which in some cases can involve a large number of crimes committed in a single night. The trend, in the burglaries over the last couple of years, is burglars steal iPods, mp3 players, phones, GPS units, CDs, video games, backpacks containing text books and other items. The items are then taken to second hand shops and sold for far below what they are worth. In some instances, businesses will buy these items for between \$3 and \$20, and

then marked up to make a considerable profit. Some of these businesses have paid \$50 for ten video games, which cost \$20 to \$50 per game. Most of the victims in these cases have complained they cannot make an insurance claim because the total loss is under their deductible. Only the businesses and the burglars profit unless they are instructed to collect information on all transactions.

Currently several sets of burglars we have dealt with, know which stores in town have the weakest recording systems or recording systems they can manipulate so they do not have to present identification for their transactions. One specific place in town will not take any information for a cash transaction, but will take detailed information when it is a store credit transaction. Some businesses already have a tracking policy and keep track of all transactions. They do so for tax purposes and to get the word out to burglars and thieves not to come to their stores because they are willing to work with the police and give them all their information. Those same businesses have willingly given up property and information received from the seller once they have learned the items were stolen. We have received complaints from these same cooperative owners about other businesses who do not track all their transactions. It has been reported; those businesses not taking information were receiving stolen property and are increasing their inventory with items which are most likely stolen. This sets up an unfair advantage for businesses with less than credible business practices.

This bill was introduced last year and although it was received favorably by most, had issues which needed to be refined. Since this time, we have worked with Ed Klumpp and others, reviewing, evaluating and correcting those concerns. Ed, who has testified or will testify, can cover changes the made to the original bill.

**Conclusion:**

Requiring businesses to track this information will help law enforcement identify stolen property, who sold it, potentially return stolen property to the victims and the specifics required to effectively prosecute the offender. Ultimately, by implementing this legislation investigators and officers will be able to identify those who sell stolen property, leading to the solving of more of these and other related crimes. Additionally, it may lead to the reduction or prevention of similar crimes due to outlets recording all transactions.

Thank you for your attention and I look forward to your questions.

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