



MARTHA COAKLEY
ATTORNEY GENERAL

THE COMMONWEALTH OF MASSACHUSETTS
OFFICE OF THE ATTORNEY GENERAL
ONE ASHBURTON PLACE
BOSTON, MASSACHUSETTS 02108

(617) 727-2200
(617) 727-4765 TTY
www.mass.gov/ago

Testimony of Attorney General Martha Coakley on
S.B. 145, *An Act Regulating Secondary Metals Dealing*
Joint Committee on Consumer Protection & Professional Licensure
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Thank you Chairman Kennedy, Chairman Speliotis, and members of the committee for the opportunity to testify today in support of Senate Bill 145, *An Act Regulating Secondary Metals Dealing*. This bill, which I co-sponsored with Senator James Timilty, would establish new methods to protect public safety and reduce the negative effects of the foreclosure crisis in our neighborhoods through the creation of a statewide Abandoned Housing Registry pilot program and a statewide Secondary Metals Registry.

The foreclosure crisis that gripped our country over four years ago has yet to slow down. As a result, many properties throughout Massachusetts continue to be abandoned and left vacant. These abandoned properties are susceptible to building code violations, bring down property values for homeowners in the neighborhood, and often are havens for criminal activity such as copper stripping, drug dealing, and arson.

Communities are working hard to address these issues, but that work is made more challenging because of the difficulty in locating the property owners or the criminal offenders involved in stealing metal from the structure. This is due in large part because there are not consistent registration requirements in place either for vacant property owners or junk dealers and pawnbrokers.

We have seen this first-hand through our office's Abandoned Housing Initiative (AHI).

The biggest obstacles we have seen to rehabilitating a home are identifying the parties responsible for the property and getting a receiver appointed to oversee the renovations. Copper stripping of these properties alone can cause up to \$15,000 worth of damage to a residence, and those added costs often are the difference between getting a receiver to take on a project or not.

This bill seeks to comprehensively address these issues. First, the bill establishes a Secondary Metals Registry, housed at the Executive Office of Public Safety, to give law enforcement access to the records and identities of metal scrap dealers and sellers, and their wares. This Registry is designed to ultimately be financially through the establishment of the Secondary Metals Registry Trust Fund that will be funded by licensing fees and fines.

Second, the legislation creates a new licensing structure that allows for more accurate record-keeping and tracking of items and their sellers, so that stolen metals are more easily recovered. It includes penalties ranging from \$2,500 to \$5,000 in fines and 2 ½ to five year prison sentences for defendants with multiple offenses.

Finally, the bill creates an important Abandoned Property Registry that will allow municipalities to know who owns a particular abandoned property and enable them to effectively enforce health and safety code violations. The registry would be a two-year pilot program established and maintained by the Division of Banks to catalog of all foreclosed, abandoned, and vacant properties in the Commonwealth.

This bill will provide common-sense, effective tools to law enforcement and communities to continue to revitalize neighborhoods and combat the public safety issues that arise from the growth of abandoned properties. As such, I urge the committee to report this bill out favorably.

Thank you.