



## ***ERIE COUNTY LEGISLATURE***

92 Franklin Street - 4th Floor  
Buffalo, New York 14202

**TO:** Members of the Erie County Legislature

**FROM:** Karen M. McCarthy, Clerk

**DATE:** December 10, 2015

**SUBJECT** Document Received at the Public Hearing on LL Intro. 1-5 (2015)

The attached document was received at the Public Hearing on LL Intro 1-5 (2015) "A Local Law Regulating Pawnbrokers, Secondhand Dealers, Jewelry, Precious Metals and Coin Exchange Dealers".

Thank you.

**DONALD L. HOFFMAN  
AIRPORT PLAZA JEWELERS  
4230 UNION ROAD  
CHEEKTOWAGA, NY 14225  
(716)632-6509**

Thursday, December 10, 2015

TO: Erie County Legislature  
92 Franklin Street – 4<sup>th</sup> Floor  
Buffalo, NY 14202

RE: Comments Submitted at Public Hearing 12/10/15 re “Local Law Intro. No. 1-5 (2015), “A Local Law Regulating Pawnbrokers, Secondhand Dealers, Jewelry, Precious Metals and Coin Exchange Dealers.”

I appreciate the effort and dedication shown by all involved parties to work together on a fair and balanced law. However, it is a bit frustrating that the Erie County Legislature would select a date and time during business hours in the middle of the busiest and most critical retail selling period for any jewelry store, to schedule a Public Hearing of this nature. Given the extent to which our small staff is kept active and in need of direct access to me for necessary advice and decisions during the holiday sales period, it is virtually impossible to break away for the hours necessary to personally attend this hearing. Thus, I have asked our marketing director, Brian Dickman, to represent me at the hearing, and to bring my comments to the Legislature’s attention via this document.

**A) re Section 2. Legislative Intent:**

My comment is as follows: If the true intent of this proposed local law is “tracking and recovering stolen property” as indicated in Section 2, I cannot understand, and wish to question by the Erie County Legislature would grant exclusions to the licensing law for businesses such as a 501(c)(3) or an antique shop. Does the Legislature not wish to allow law enforcement to track stolen property taken to a 501(c)(3) or antique shop?

**B) re Section 3. Definitions: Section 13) “Precious Metals Exchange”:**

My comment is as follows: To express concern that this law will be all-inclusive, and will be applied fairly and evenly to all individuals and corporations engaged in the purchase of precious metals, including but not limited to:

- Reeds Jewelers
- Andrews Jewelers
- Kay Jewelers
- Zales
- Jarod

... all of which will buy property from people outright, without other conditions such as remanufacturing being considered.

Comm. 25D-2

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I want to simply assert that if the basis for the licensing and enforcement process outlined in this proposed law is not fair and even, then the Legislature is not only selectively and unfairly targeting a fraction of the entities engaged in the process of purchasing precious metals, etc. as defined .... but the Legislature is also publicly **inviting and directing criminals** to businesses and individuals it has provided a "loophole" of non-enforcement to via this proposed law.

For example, an antique dealer will be able to actively advertise through the media, and through word-of-mouth, that they engage in the process of buying precious metals from the public. And criminals will know that taking their stolen merchandise to an antique dealer will be a "safer" option, since they have been made aware that the antique dealers are exempt from the licensing and enforcement program.

Is the Erie County Legislature **less** concerned about stolen property sold at an antique shop in Williamsville, as opposed to a pawn shop in West Seneca? Does this not fly in the face of the Legislative Intent outlined in Section 2, to establish a "uniform system" to assist the law enforcement community in **tracking and recovering stolen property (no matter where stolen property is sold)?**

**C) re Section 6. Licensing Exemptions: Section A-4-c "Private Dealer":**

My comment is as follows: This is a very disturbing exemption, not only for the same "loophole" it provides as noted above regarding 501(c)(3) entities and antique dealers, but also because of the illogical nature of requiring the private dealer to have a New York State resale number "for collection and submission of sales tax". It would seem to me that having a NYS resale number is, in fact, declaring that one is operating a **business** and thus is **not** a "private" dealer.

I would like to know where this definition of a "Private Dealer" outlined in this section came from.

There clearly is specious reasoning at work here. Since nearly all precious metal purchased from the public is not for resale (it is for scrapping), and since there is no taxation of that "Private Dealer" when scrapping the merchandise purchased, it is pointless for the "Private Dealer" to have a NYS resale number, since in the high majority of cases, there will be no tax for him or her to collect or submit from scrap transactions.

Furthermore, would for example, a hairdresser, whose primary duty is cutting hair, but who also lets their customers know they buy old gold and precious metals, be exempt as a "Private Dealer" or would they be fitting the definition of a "Precious Metal Exchange."

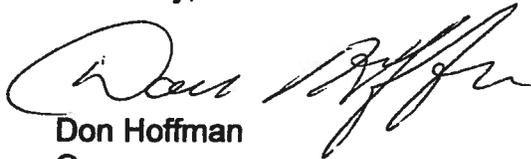
**D) re Section 5. Licensing: Section E-7 "with consent":**

By adding the words "with consent" to the end of paragraph E-7, the potential for serious misunderstanding between the dealer and law enforcement becomes possible. The wording makes it sound as though the dealer may be denying a reasonable request, which could be seriously misconstrued by the law

enforcement officials involved. I would suggest the wording become "non-public areas by invitation."

In conclusion, I sincerely appreciate the opportunity to submit these comments via my representative, and only regret that the timing of the hearing, during the holiday season, does not allow me to voice them personally.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Hoffman", written in a cursive style.

Don Hoffman  
Owner  
Airport Plaza Jewelers

Kcva 12.15.15



P.O. Box 194  
Kenmore, New York 14217  
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Honorable John Mills  
Chairman, Erie County Legislature  
Old Erie County Hall  
92 Franklin St.  
Fourth Floor  
Buffalo, NY 14202

December 8, 2015

Mr. Mills,

I would like to express my gratitude for the willingness of the legislature to reach out to the private sector for its input in crafting a local law that is aimed at stopping illegal activities without placing unreasonable burdens on legitimate businesses. In addition, I would like to give a call out to legislator Dixon for taking the time to understand the problems with the original bill and sending it back for revision to meet the concerns of the business community while still addressing the goal of stopping the criminal element.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott A. Hunt". The signature is stylized with a large, looped "S" and a long horizontal stroke extending to the right.

Scott A. Hunt  
President  
Jack Hunt Coin Broker Inc.