

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1168-01
Bill No.: HB 490
Subject: Business and Commerce; Contracts and Contractors
Type: Original
Date: March 6, 2007

Bill Summary: Requires sellers of scrap metal to provide photo identification to purchasers of the scrap metal and requires purchasers to maintain records of all sales of scrap metal.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Courts Administrator, Department of Revenue, Department of Public Safety (DPS) - Director's Office, DPS - Missouri State Highway Patrol, City of Centralia, City of Kansas City, and City of West Plains** assume the proposal will have no fiscal impact on their organizations.

Officials from the **Office of Attorney General** assume any potential costs arising from this proposal can be absorbed with existing resources.

Officials from the **Office of Prosecution Services (OPS)** state any increase in the number of cases referred for criminal prosecution will have an additional fiscal impact on County Prosecutors. However, the OPS are not able to establish an estimate of the number of additional criminal cases that would be referred to the County Prosecutors for charges because of this proposed legislation. It is therefore, not possible to determine if this proposal would have a significant direct fiscal impact on county prosecutors or the OPS.

Officials from **St. Louis County** state the proposal will result in indirect savings in increased property values, increased investment by developers, reduced vandalism, fewer Police calls, etc. The office estimates that St. Louis County property owners suffer approximately \$1.5 million in loss, damage, and increased security costs each year, directly linked to metal theft. Cost to the St. Louis County Police, called to respond to and investigate metal theft, could be estimated at about \$5,000 per year.

Oversight assumes the overall impact of this proposal on local governments to be minimal.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2008
(10 Mo.)

FY 2009

FY 2010

**LOCAL GOVERNMENTS -
COUNTY PROSECUTORS**

Costs - County Prosecutors

Increase in criminal prosecutions

\$0 to
(Unknown)

\$0 to
(Unknown)

\$0 to
(Unknown)

**ESTIMATED NET EFFECT ON
LOCAL GOVERNMENTS -
COUNTY PROSECUTORS**

\$0 to
(Unknown)

\$0 to
(Unknown)

\$0 to
(Unknown)

FISCAL IMPACT - Small Business

The proposal could have a positive impact on small businesses in reduced losses due to vandalism, reduced security costs, increased property values, etc. result. However, the proposal will also result in an increase in administrative costs related to maintaining records, etc.

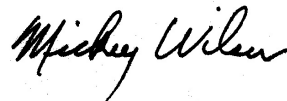
FISCAL DESCRIPTION

This proposal requires any person selling scrap metal to provide photo identification to the purchaser and requires the purchaser to maintain records of all sales of scrap metal for at least three years. Scrap metal includes iron, copper, zinc, tin, steel, aluminum, titanium, metallic cables and wires, and other similar materials.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Attorney General
Office of State Courts Administrator
Department of Revenue
Department of Public Safety -
 Director's Office
 Missouri State Highway Patrol
Office of Prosecution Services
City of Centralia
City of Kansas City
City of West Plains
City of St. Louis

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
March 6, 2007