

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1348-01
Bill No.: HB 547
Subject: Business and Commerce; Consumer Protection; Merchandising Practices
Type: Original
Date: February 27, 2007

Bill Summary: Provides for the registration of copper and aluminum from any person who obtains the copper or aluminum from a purchase or trade.

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*

* Minimal savings and costs net to \$0.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Courts Administrator, Department of Economic Development - Public Service Commission, Department of Revenue, Department of Public Safety - Director's Office, City of Centralia, and City of Kansas City** 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)** assume this proposal would not 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.

Officials from the **City of West Plains** state the proposal would result in minimal administrative costs necessary to administer the requirements of the proposal.

Oversight assumes minimal savings and additional administrative costs to cities and counties would net to \$0.

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

<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
LOCAL GOVERNMENTS - CITIES AND COUNTIES			
<u>Savings - Cities and Counties</u>			
Reduced police calls and investigations, vandalism, etc.	Minimal	Minimal	Minimal
<u>Costs - Cities and Counties</u>			
Increase administrative costs	<u>(Minimal)</u>	<u>(Minimal)</u>	<u>(Minimal)</u>
ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS - CITIES AND COUNTIES	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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.

FISCAL DESCRIPTION

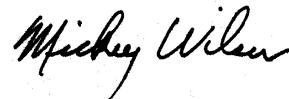
This proposal requires sellers and purchasers of scrap metal to provide a legible right thumbprint, a state-issued form of identification, the delivery vehicle license number, the date and time of delivery, and description and weight of all metals. Dealers are required to hold the scrap metal for at least 15 days and to maintain records of all sales and purchases of scrap metal for at least two years. If the dealer is alerted to a theft of copper or aluminum, any purchases of scrap metal must be retained an additional 30 days. Scrap metal includes any aluminum or copper wire cable, bars, ingots, rods, tubes, pipes, wires, scraps, clamps, connectors, and other similar materials.

A person will be guilty of a class B misdemeanor with a fine of not less than \$1,000 but not more than \$10,000 for knowingly violating the registration provisions of scrap metal sales.

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 Economic Development -
 Public Service Commission
Department of Revenue
Department of Public Safety -
 Director's Office
Office of Prosecution Services
St. Louis County
City of Centralia
City of Kansas City
City of West Plains



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Director
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