

HCS HB 490 -- SCRAP METAL SALES

SPONSOR: Ervin (Baker, 123)

COMMITTEE ACTION: Voted "do pass" by the Special Committee on Small Business by a vote of 7 to 0.

This substitute requires any person selling scrap metal to provide photo identification to the purchaser and requires the purchaser to maintain records of 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. Transactions of \$50 or less or 50 pounds or less of scrap metal and transactions where an established scrap metal dealer is the seller are excluded from the substitute.

FISCAL NOTE: No impact on state funds in FY 2008, FY 2009, and FY 2010.

PROPOSERS: Supporters say that the bill will provide a database for law enforcement and help reduce the theft of metals. Current law is not enough to stop these thefts from home and business construction sites, historic sites, and live electrical wire. With the price of copper fluctuating, a limit related to weight could be added to a substitute. Kansas has passed a similar law. The bill is a way to help with the theft problem without burdening the metal dealers too much. Scrap metal dealers are small business owners and have a problem with theft at their businesses also. When scrap metal is sold, it rarely looks like it did when it was stolen. Often it is cut up with the insulation removed. Law enforcement doesn't alert dealers to watch for these type of items which are known to be stolen. The scrap metal industry is different than the scrap auto parts business, and titled vehicle transactions should be excluded from these requirements.

Testifying for the bill were Representative Baker (123); Recycle Missouri, Incorporated; Missouri Retailers Association; Raynard Brown, Glamba Metals Group, LLC; Tony Ross, American Compressed Steel, Incorporated; Sanford Leving, Kansas City Iron Metal; and Missouri Auto and Truck Recyclers Association.

OPPOSERS: There was no opposition voiced to the committee.