

HCS HB 1512 -- SCRAP METAL

SPONSOR: Emery (Kraus)

COMMITTEE ACTION: Voted "do pass" by the Special Committee on Utilities by a vote of 10 to 0.

This substitute changes the laws regarding the sale and theft of scrap metal. In its main provisions, the substitute:

- (1) Requires purchasers of scrap metal to keep a record of each transaction including a copy of a federal or state-issued form of identification from the seller, the date and time of delivery, and a description and weight of all metals purchased. Scrap metal includes any aluminum, copper, brass, or bronze wire; cable; pipe; tubing; bar; ingots; rod; fitting; fastener; or farming material. Records are required to be kept for a minimum of 24 months and must be available for inspection by law enforcement. Any person violating this provision will be guilty of a class A misdemeanor. Transactions not exceeding \$50 or transactions between scrap metal dealers with fixed business locations are exempt from the record-keeping requirement;
- (2) Requires scrap metal dealers to make any payment over \$50 by check, electronic transfer, or any other method in which a financial institution maintains a record of the transaction;
- (3) Prohibits scrap metal dealers from purchasing metal beer kegs of six gallons or more unless purchasing them from the brewer or its representative. Any person violating this provision will be guilty of a class A misdemeanor;
- (4) Prohibits scrap metal dealers from purchasing items such as manhole covers, street signs, bleachers, or guardrails that are identifiable as belonging to a political subdivision, electric cooperative, or utility. Any person violating this section will be guilty of a class B misdemeanor;
- (5) Specifies that any person who steals or appropriates wire or other devices that are associated with transmitting telecommunications or conducting electricity will be guilty of a class C felony; and
- (6) Specifies that any person who steals or appropriates any property on the premises of an electric cooperative or municipal utility or utility regulated by the Missouri Public Service Commission will be guilty of a class D felony.

FISCAL NOTE: Estimated Cost on General Revenue Fund of Unknown less than \$100,000 in FY 2009, FY 2010, and FY 2011. No impact

on Other State Funds in FY 2009, FY 2010, and FY 2011.

PROPOSERS: Supporters say that the bill will help prevent the theft of metal, city property, and utility property as well as theft from new homes which is an increasing problematic crime in Missouri. Theft of copper results in large financial losses to utilities and damage to telecommunications and electric infrastructure. Safety hazards often arise when copper theft results in damage to electric lines and power stations.

Testifying for the bill were Representative Kraus; Missouri Telecommunications Industry Association; Dwayne Cartwright, Intercounty Electric Cooperative; Missouri Beer Wholesalers Association; Anheuser-Busch Companies, Incorporated; Missouri Farm Bureau; Metropolitan St. Louis Sewer District; Springfield City Utilities; Empire District Electric Company; Aquila; Missouri Park and Recreation Association; Missouri Association of Realtors; Gary Majors; and Roger Lewis and Wayne Stewart, Kansas City Police Department.

OPPOSERS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say it should not include a tag and hold provision and the sale of items such as kegs should be allowed with proper documentation from the producer. A list of persons convicted of metal theft should periodically be given to scrap metal dealers, and photographic identification requirements should be clear.

Testifying on the bill were Recycle Missouri, Incorporated; Brian Barton; and Mark Hereford.