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FISCAL IMPACT REPORT

SPONSOR Neville ORIGINAL DATE 3/2/15
LAST UPDATED _____ HB _____
SHORT TITLE Including Lead In Recycled Materials Act SB 573
ANALYST Elkins

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Regulation and Licensing Department (RLD)

SUMMARY

Synopsis of Bill

Senate Bill 573 amends the Sale of Recycled Metals Act to include lead material. SB 573 defines lead material as, a lead-acid battery. The bill adds lead to the list of materials secondhand metal dealers must keep a record of purchase detailing the place and date of purchase, the name and address of each person from whom the material is purchased, the identifying number of the personal identification document of each person from who the material is purchased, the year, make, model, and license plate number of the motor vehicle used to transport the material, and a description of the type and quantity of the material purchased.

FISCAL IMPLICATIONS

There are no significant fiscal implications.

SIGNIFICANT ISSUES

The scope of the definition of “lead” may be too narrow for the Recycled Metals Program’s long term use and effectiveness. The bill defines lead as “lead-acid” battery, which is ineffective for broad regulation. It may be more effective to add any material containing lead to the list of

restricted materials, not just batteries.

Adding lead to the list of regulated materials will strengthen the goals of the Regulation and Licensing Department. It will allow for administrative prosecution of the ever growing lead theft problem in the state.

TECHNICAL ISSUES

The definition of lead must be broadened to have longevity in its impact. Otherwise, criminals and secondhand metal dealers will develop a workaround. The amendment only specifies lead as “lead-acid battery”. RLD suggests the following amendment, “lead material” means any product made from, or containing in any amount, lead.

OTHER SUBSTANTIVE ISSUES

In Arizona, scrap metal businesses and used automotive component dealers are required to report their scrap metal data and lead acid battery recycling transactions to the Arizona Department of Public Safety. Scrap metal dealers and used automotive dealers are also required to collect and retain certain information at their business location.

[\(http://www.azdps.gov/Services/smtdb/\)](http://www.azdps.gov/Services/smtdb/)

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If not enacted, RLD foresees a growth in lead and battery related property crimes because it is not a regulated material. The Recycled Metals Program is already strengthening its grip on other regulated materials, criminals and secondhand metal dealers are shifting toward lead because it is not a regulated material and is easier to sell. The Recycled Metals Program is already seeing increasing reports of car batteries being stolen from parked cars.

POSSIBLE QUESTIONS

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