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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/8/08

SPONSOR SJC LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Sale of Recycled Materials Act SB 281/SJCS/aSFl#1

ANALYST Cox

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$0.1 see analysis	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Public Safety (PSD)

Environment Department (ED)

### SUMMARY

#### Synopsis of SFl #1 Amendment

The Amendment provides only ‘clean-up’ language, and does not affect the intent of this Committee Substitute Bill.

#### Synopsis of Original Bill

This Committee Substitute Bill is essentially the same as the original SB 281. The Committee Substitute Bill uses certain ‘clean-up’ language in the “Sale of Recycled Metals Act”.

This Committee Substitute Bill differs as follows;

- This Committee Substitute Bill strips \$100,000 in funding to the Department of Public Safety for implementing the directives of the Act.
- The Committee Substitute Bill also changes the ‘Penalties’ from civil to criminal, in nature. Thus, early offenses would be misdemeanors and later offenses would be fourth degree felonies.
- The new language adds stainless steel beer kegs.

## **FISCAL IMPLICATIONS**

This Committee Substitute Bill is unfunded.

Department of Public Safety had stated that the Agency needed some funding for manpower and to maintain the 'data-base' required in the Act.

## **SIGNIFICANT ISSUES**

ED notes that this bill is in response to recent sales of stolen metals in New Mexico to auto wreckers and scrap metal processors. The value of scrap metal has recently skyrocketed. This bill addresses numerous incidents of stolen scrap metal that has been sold to scrap dealers and automotive wreckers.

The Department of Public Safety (DPS) will oversee the requirements of the bill. The legislation requires individuals that sell scrap metal to verify their identification. Those people will be required to sign a written statement that they own the scrap and provide the make, model and license plate of the vehicle used to transport the scrap they are selling. The buyer must keep records of all transactions and forward that information to DPS. Sellers that violate the provisions are guilty of a misdemeanor and a second offense is a fourth degree felony.

DPS provided the following:

Tracking recycled metals is not the biggest priority of a law enforcement agency. DPS will welcome the chance to investigation on a case by case basis the theft of such metals, but the regulation of might be better suited to another agency.

## **ADMINISTRATIVE IMPLICATIONS**

DPS believes they might need one FTE on a recurring basis.

DW/PRC/bb:nt