

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 11, 2009

TO: Honorable Byron Cook, Chair, House Committee on Environmental Regulation

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB4524 by Phillips (Relating to the regulation of metal recycling entities; providing penalties.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Occupations Code and Penal Codes to expand the regulated metals list. The bill requires the Department of Public Safety (DPS) to make a list of all registered metal recycling entities available on its website. The bill states a person attempting to sell regulated material who represents a metal recycling entity shall provide a copy of their registration certificate. The bill would also change the reporting requirements of metal recycling to DPS from paper to electronic, but the text provides for exemptions and requires phone notification to DPS for certain metal sales. Language is added that makes it mandatory for metal recyclers to report electronically through DPS' metals website; however a provision is provided for a metal recycling entity to request an exception and provide an affidavit confirming the inability to report electronically. The bill states metal recycling entities may not purchase or otherwise receive wire that has been burned to remove the insulation. The bill would increase from three to five days the holding period for acquired metal for five days before the date of disposal, sale or removal. The bill would take effect on September 1, 2009.

This analysis assumes the provisions of the bill would not pose a significant fiscal impact to DPS.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 405 Department of Public Safety

LBB Staff: JOB, SZ, GG, LG