

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 10, 2009

TO: Honorable Kip Averitt, Chair, Senate Committee on Natural Resources

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

IN RE: SB1203 by West (Relating to the regulation of metal recycling entities; providing penalties.),
Committee Report 1st House, Substituted

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Occupations Code and Penal Codes to expand the regulated metals list. The bill would also change the reporting requirements of metal recycling to the Department of Public Safety (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's 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. It is assumed that implementing the provisions of the bill would not pose a significant fiscal impact to the state.

Local Government Impact

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

Source Agencies: 405 Department of Public Safety, 458 Alcoholic Beverage Commission

LBB Staff: JOB, SZ, GG, MWU