

BILL ANALYSIS

C.S.H.B. 1648
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Environmental Regulation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Plastic bulk merchandise containers have become a target for thieves because these containers can be resold for cash to individuals who are in the business of recycling, shredding, or destroying the containers. Incidents of theft of these containers continue to rise, and this growing problem is very costly to the companies that use these containers to transport their products each year. The goal of C.S.H.B. 1648 is to deter this type of theft by prohibiting an individual from purchasing plastic bulk merchandise containers with cash and by requiring records to be kept on the method of payment.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1648 amends the Business & Commerce Code, in a provision of law requiring a person who is in the business of recycling, shredding, or destroying plastic bulk merchandise containers, before purchasing five or more plastic bulk merchandise containers from the same person, to obtain and verify certain information so that the purchaser may verify, in a manner determined by the purchaser, that the seller is acting on behalf of a corporation, business, government, or governmental subdivision or agency, as an alternative to verifying certain personal identification information.

C.S.H.B. 1648 prohibits a person who is in such a business and who purchases a plastic bulk merchandise container from an individual, unless the person verifies in a manner determined by the purchaser that the individual is acting on behalf of a corporation, business, government, or governmental subdivision or agency, from paying for the purchase of any such container with cash and to require the person, for each transaction in which the person purchases one or more containers, to record the method of payment used. The bill requires the record of the method of payment, if the purchase is of one or more containers, to be attached to the record required for such purchases.

C.S.H.B. 1648 makes a person who violates the provision relating to cash payment and recording the method of payment liable to the state for a civil penalty in an amount not to exceed \$10,000 for each violation and makes each cash transaction made in violation of the prohibition against a cash payment a separate violation for the purposes of imposing the penalty. The bill requires the court to consider the amount necessary to deter future violations in determining the amount of the civil penalty imposed.

C.S.H.B. 1648 authorizes the attorney general or appropriate prosecuting attorney to inspect a record retained by a person relating to the purchase of a plastic bulk merchandise container.

EFFECTIVE DATE

September 1, 2011.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 1648, in the provision of law requiring a person who is in the business of recycling, shredding, or destroying plastic bulk merchandise containers to verify certain information before purchasing five or more plastic bulk merchandise containers from the same person, contains a provision not included in the original providing the option for the purchaser to verify that the seller is acting on behalf of a corporation, business, government, or governmental subdivision or agency.

C.S.H.B. 1648, in a provision imposing certain purchasing requirements on a person who is in the business of recycling, shredding, or destroying plastic bulk merchandise containers, differs from the original by further describing such a person as one who purchases a plastic bulk merchandise container from an individual and excepting the person from the specified purchasing requirements if the person verifies in a manner determined by the purchaser that the seller is acting on behalf of a corporation, business, government, or governmental subdivision or agency, whereas the original does not include the further description of the person or the exception from the purchasing requirements.