

By: Hefner, Rose, Geren, Lopez of Bexar,
Patterson

H.B. No. 3552

Substitute the following for H.B. No. 3552:

By: Hefner

C.S.H.B. No. 3552

A BILL TO BE ENTITLED

AN ACT

1
2 relating to criminal conduct involving the theft, damage,
3 destruction, or unlawful possession of copper or brass, to criminal
4 conduct committed in, around, or in relation to critical
5 infrastructure facilities or equipment or interrupting or
6 impairing the operation of those facilities or equipment, and to
7 the sale of regulated materials, including copper or brass
8 material, to metal recycling entities and training on identifying
9 those materials; creating criminal offenses; increasing criminal
10 penalties; providing an administrative penalty.

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

12 ARTICLE 1. CRIMINAL PENALTIES

13 SECTION 1.01. Section 423.0045(a)(1-a), Government Code,
14 is amended to read as follows:

15 (1-a) "Critical infrastructure facility" means:

16 (A) one of the following, if completely enclosed
17 by a fence or other physical barrier that is obviously designed to
18 exclude intruders, or if clearly marked with a sign or signs that
19 are posted on the property, are reasonably likely to come to the
20 attention of intruders, and indicate that entry is forbidden:

21 (i) a petroleum or alumina refinery;

22 (ii) an electrical power generating
23 facility, substation, switching station, or electrical control
24 center;

(iii) a chemical, polymer, or rubber manufacturing facility;

(iv) a water intake structure, water treatment facility, wastewater treatment plant, or pump station;

(v) a natural gas compressor station;

(vi) a liquid natural gas terminal or storage facility;

(vii) a telecommunications central switching office or any structure used as part of a system to provide wired or wireless telecommunications services, cable or video services, or Internet access services;

(viii) a port, a railroad switching yard, a trucking terminal, or any other freight transportation facility;

(ix) a gas processing plant, including a plant used in the processing, treatment, or fractionation of natural gas;

(x) a transmission facility used by a federally licensed radio or television station;

(xi) a steelmaking facility that uses an electric arc furnace to make steel;

(xii) a dam that is classified as a high hazard by the Texas Commission on Environmental Quality; or

(xiii) a concentrated animal feeding operation, as defined by Section 26.048, Water Code; or

(B) if enclosed by a fence or other physical barrier obviously designed to exclude intruders:

(i) any portion of an aboveground oil, gas,

or chemical pipeline;

(ii) an oil or gas drilling site;

(iii) a group of tanks used to store crude oil, such as a tank battery;

(iv) an oil, gas, or chemical production facility;

(v) an oil or gas wellhead; or

(vi) any oil and gas facility that has an active flare.

SECTION 1.02. Section 28.03(g), Penal Code, is amended by adding Subdivision (10) to read as follows:

(10) "Critical infrastructure facility" has the meaning assigned by Section 423.0045, Government Code, and includes any component of a system:

(A) on which a 9-1-1 service, as defined by Section 771.001, Health and Safety Code, depends to properly function; or

(B) that enables interoperable communications between emergency services personnel, as defined by Section 22.01, during an emergency or disaster.

SECTION 1.03. Section 28.03, Penal Code, is amended by adding Subsection (1) to read as follows:

(1) Notwithstanding Subsection (b), an offense under this section is a felony of the third degree if:

(1) the actor committed the offense by damaging or destroying a copper or brass component of:

(A) a critical infrastructure facility; or

1 (B) equipment or communication wires appurtenant
2 to or connected to the facility or on which the facility depends to
3 properly function, regardless of whether the equipment or
4 communication wires are enclosed by a fence or other barrier; and

5 (2) the damage or destruction causes, wholly or
6 partly, the impairment or interruption of the facility or the
7 equipment or communication wires.

8 SECTION 1.04. Section 31.01, Penal Code, is amended by
9 adding Subdivisions (15) and (16) to read as follows:

10 (15) "Critical infrastructure facility" has the
11 meaning assigned by Section 423.0045, Government Code, and includes
12 any component of a system:

13 (A) on which a 9-1-1 service, as defined by
14 Section 771.001, Health and Safety Code, depends to properly
15 function; or

16 (B) that enables interoperable communications
17 between emergency services personnel, as defined by Section 22.01,
18 during an emergency or disaster.

19 (16) "Firearm" has the meaning assigned by Section
20 46.01.

21 SECTION 1.05. Section 31.03, Penal Code, is amended by
22 adding Subsection (f-2) to read as follows:

23 (f-2) An offense described for purposes of punishment by
24 Subsections (e)(4)-(6) is increased to the next higher category of
25 offense if it is shown on the trial of the offense that:

26 (1) the property stolen was copper or brass; and

27 (2) the actor committed the offense by unlawfully

appropriating the property from a critical infrastructure facility or from equipment or communication wires appurtenant to or connected to the facility or on which the facility depends to properly function, regardless of whether the equipment or communication wires are enclosed by a fence or other barrier.

SECTION 1.06. Chapter 31, Penal Code, is amended by adding Section 31.22 to read as follows:

Sec. 31.22. UNAUTHORIZED POSSESSION OF CERTAIN COPPER OR BRASS MATERIAL. (a) In this section, "copper or brass material" has the meaning assigned by Section 1956.001(4)(A) or (B), Occupations Code.

(b) A person commits an offense if the person:

(1) intentionally or knowingly possesses copper or brass material; and

(2) is not a person who is authorized under Subsection (c) to possess the copper or brass material.

(c) Subject to Subsection (d), a person is authorized to possess copper or brass material if the person is:

(1) the owner of the material;

(2) a public utility or common carrier;

(3) a telecommunications provider as defined by Section 51.002, Utilities Code;

(4) a cable service provider as defined by Section 66.002, Utilities Code;

(5) a video service provider as defined by Section 66.002, Utilities Code;

(6) a manufacturing, industrial, commercial, retail,

1 or other business that sells the material in the ordinary course of
2 the seller's business;

3 (7) a carrier-for-hire acting in the course and scope
4 of the carrier's business with a bill of lading or a contract
5 verifying transport information;

6 (8) a metal recycling entity registered under Chapter
7 1956, Occupations Code, and acting within the course and scope of
8 the entity's business;

9 (9) a person acting in the ordinary course of the
10 person's business who lawfully acquires possession of the materials
11 during construction, remodeling, demolition, or salvage of a
12 building or other structure in which the materials were installed
13 or contained; or

14 (10) an agent for a person described by Subdivisions
15 (1)-(9) acting within the course and scope of the agent's authority
16 to act on behalf of the person.

17 (d) Subsection (c) does not apply to a person who knows that
18 the copper or brass material was unlawfully obtained.

19 (e) Except as provided by Subsection (f), an offense under
20 this section is a state jail felony.

21 (f) An offense under this section is a felony of the third
22 degree if it is shown on the trial of the offense that:

23 (1) the copper or brass material was unlawfully
24 obtained from a critical infrastructure facility; or

25 (2) the person:

26 (A) has been previously convicted of an offense
27 under this section;

1 (B) has been previously convicted of any of the
2 following offenses with respect to copper or brass material:

3 (i) an offense under Section 28.03 or
4 31.03;

5 (ii) conspiracy under Section 15.02 to
6 commit an offense under Section 28.03 or 31.03; or

7 (iii) an offense under Chapter 71;

8 (C) in connection with the offense, engaged in
9 conduct with respect to copper or brass material constituting:

10 (i) conspiracy under Section 15.02 to
11 commit an offense under Section 28.03, Section 31.03, or Chapter
12 71; or

13 (ii) an offense under Chapter 71; or

14 (D) possessed a firearm during the commission of
15 the offense.

16 (g) If conduct constituting an offense under this section
17 also constitutes an offense under any other law, the actor may be
18 prosecuted under this section, the other law, or both.

19 SECTION 1.07. Section 71.02(a), Penal Code, as amended by
20 Chapters 269 (S.B. 224), 369 (H.B. 1442), 462 (S.B. 1900), 885 (H.B.
21 4635), and 910 (H.B. 6), Acts of the 88th Legislature, Regular
22 Session, 2023, is reenacted and amended to read as follows:

23 (a) A person commits an offense if, with the intent to
24 establish, maintain, or participate in a combination or in the
25 profits of a combination or as a member of a criminal street gang or
26 foreign terrorist organization, the person commits or conspires to
27 commit one or more of the following:

1 (1) murder, capital murder, arson, aggravated
2 robbery, robbery, burglary, theft, aggravated kidnapping,
3 kidnapping, aggravated assault, aggravated sexual assault, sexual
4 assault, continuous sexual abuse of young child or disabled
5 individual, solicitation of a minor, forgery, deadly conduct,
6 assault punishable as a Class A misdemeanor, burglary of a motor
7 vehicle, or unauthorized use of a motor vehicle;

8 (2) any gambling offense punishable as a Class A
9 misdemeanor;

10 (3) promotion of prostitution, aggravated promotion
11 of prostitution, or compelling prostitution;

12 (4) unlawful manufacture, transportation, repair, or
13 sale of firearms or prohibited weapons;

14 (5) unlawful manufacture, delivery, dispensation, or
15 distribution of a controlled substance or dangerous drug, or
16 unlawful possession of a controlled substance or dangerous drug:

17 (A) through forgery, fraud, misrepresentation,
18 or deception; or

19 (B) with the intent to deliver the controlled
20 substance or dangerous drug;

21 (5-a) causing the unlawful delivery, dispensation, or
22 distribution of a controlled substance or dangerous drug in
23 violation of Subtitle B, Title 3, Occupations Code;

24 (5-b) any unlawful possession with intent to deliver a
25 controlled substance or dangerous drug;

26 (5-c) [~~(5-b)~~] unlawful possession with intent to
27 deliver a controlled substance listed in Penalty Group 1-B under

Section 481.1022, Health and Safety Code;

(6) any unlawful wholesale promotion or possession of any obscene material or obscene device with the intent to wholesale promote the same;

(7) any offense under Subchapter B, Chapter 43, depicting or involving conduct by or directed toward a child younger than 18 years of age;

(8) any felony offense under Chapter 32;

(9) any offense under Chapter 36;

(10) any offense under Chapter 34, 35, or 35A;

(11) any offense under Section 37.11(a);

(12) any offense under Chapter 20A;

(13) any offense under Section 37.10;

(14) any offense under Section 38.06, 38.07, 38.09, or 38.11;

(15) any offense under Section 42.10;

(16) any offense under Section 46.06(a)(1) or 46.14;

(17) any offense under Section 20.05, 20.06, or 20.07;

(18) any offense under Section 16.02;

(19) any offense punishable under Section 42.03(d) or (e);

(20) ~~[(19)]~~ an offense under Section 28.03 that is punishable under Subsection (b)(4)(E) or (1) of that section;

(21) ~~[(20)]~~ an offense under:

(A) Section 31.21 that is punishable under Subsection (d) of that section; or

(B) Section 31.22 that is punishable under

Subsection (e) of that section;

(22) [~~(20)~~] any offense classified as a felony under the Tax Code; or

(23) [~~(21)~~] any offense under Section 545.420, Transportation Code.

SECTION 1.08. Section 31.03(h)(8), Penal Code, is repealed.

ARTICLE 2. REGULATION OF METAL RECYCLING ENTITIES

SECTION 2.01. Section 1956.001(4), Occupations Code, is amended to read as follows:

(4) "Copper or brass material" means:

(A) a power inverter, bus bar, or insulated or noninsulated copper wire or cable that contains copper or an alloy of copper or zinc and is of the type used by:

(i) a public utility or common carrier;

(ii) a telecommunications provider as defined by Section 51.002, Utilities Code;

(iii) a cable service provider as defined by Section 66.002, Utilities Code; or

(iv) a video service provider as defined by Section 66.002, Utilities Code;

(B) a copper or brass item of a type commonly used in construction or by:

(i) a public utility;

(ii) a telecommunications provider as defined by Section 51.002, Utilities Code;

(iii) a cable service provider as defined by Section 66.002, Utilities Code; or

(iv) a video service provider as defined by
Section 66.002, Utilities Code; or

(C) copper pipe or copper tubing.

SECTION 2.02. Subchapter A-1, Chapter 1956, Occupations
Code, is amended by adding Section 1956.018 to read as follows:

Sec. 1956.018. TRAINING ON IDENTIFYING CERTAIN REGULATED
MATERIAL. (a) The department shall develop and make available to
metal recycling entities educational and training materials to aid
the entities in identifying copper or brass material as defined by
Section 1956.131, including copper or brass material that may be
stolen property.

(b) The educational and training materials must be
developed in coordination with:

(1) the advisory committee established under Section
1956.017;

(2) trade associations representing metal recycling
entities;

(3) representatives of the communications industries
that deploy materials composed of copper or brass material;

(4) representatives of law enforcement agencies and
the offices of prosecuting attorneys; and

(5) other interested stakeholders.

(c) For purposes of developing the educational and training
materials under Subsection (a), the representatives described by
Subsection (b)(3) shall provide examples to the department of
copper or brass material as defined by Section 1956.131.

SECTION 2.03. Subchapter A-1, Chapter 1956, Occupations

Code, is amended by adding Section 1956.019 to read as follows:

Sec. 1956.019. STUDY ON EFFECT OF REGULATIONS ON INCIDENTS OF THEFT OF REGULATED MATERIAL. (a) At least once every three years, the department shall conduct a study on:

(1) the effect that the implementation of Subchapter C-2 and similar laws has had on the incidents of theft of regulated material, particularly copper or brass material; and

(2) the manner and extent to which metal recycling entities are coordinating and cooperating with law enforcement agencies and prosecutors to assist in preventing and prosecuting that theft.

(b) The department shall make available on the department's publicly accessible Internet website a written report on the study conducted under Subsection (a).

SECTION 2.04. Chapter 1956, Occupations Code, is amended by adding Subchapter C-2 to read as follows:

SUBCHAPTER C-2. TRANSACTIONS INVOLVING CERTAIN COPPER OR BRASS MATERIAL

Sec. 1956.131. DEFINITION. Notwithstanding Section 1956.001, in this subchapter, the term "copper or brass material" does not include:

(1) the material described by Section 1956.001(4)(B) or (C); or

(2) common household insulated or noninsulated copper wire or cable.

Sec. 1956.132. APPLICABILITY; EFFECT OF LAW.

(a) Notwithstanding any other provision of this chapter, this

subchapter applies to the purchase or acquisition, from a person described by Section 1956.002(1), of copper or brass material.

(b) This subchapter does not affect any requirement under Subchapter A-3, including any requirement applicable to the purchase or acquisition of copper or brass material from a person not described by Section 1956.002(1).

Sec. 1956.133. LIMITATION ON PURCHASING OR OTHERWISE ACQUIRING CERTAIN COPPER OR BRASS MATERIAL. A metal recycling entity may not purchase or otherwise acquire copper or brass material from a person described by Section 1956.002(1), unless each of the following is satisfied:

(1) the person selling the copper or brass material to the metal recycling entity acquired it in the ordinary course of the person's business, including in the ordinary course of business of any of the following entities:

(A) a business that owns the copper or brass material;

(B) a public utility or common carrier;

(C) a telecommunications provider as defined by Section 51.002, Utilities Code;

(D) a cable service provider as defined by Section 66.002, Utilities Code;

(E) a video service provider as defined by Section 66.002, Utilities Code;

(F) a manufacturing, industrial, commercial, retail, or other business that sells the material in the ordinary course of the seller's business;

1 (G) a carrier-for-hire acting in the course and
2 scope of the carrier's business with a bill of lading or a contract
3 verifying transport information;

4 (H) a metal recycling entity registered under
5 this chapter acting within the course and scope of the entity's
6 business; or

7 (I) a person acting in the ordinary course of the
8 person's business who lawfully acquires possession of the materials
9 during the construction, remodeling, demolition, or salvage of a
10 building or other structure in which the materials were installed
11 or contained; and

12 (2) any individual acting on behalf of the person
13 described by Subdivision (1) has apparent authority to enter into
14 the transaction and is acting in the scope of that authority.

15 Sec. 1956.134. CERTAIN RECORDS REQUIRED WHEN PURCHASING OR
16 OTHERWISE ACQUIRING CERTAIN COPPER OR BRASS MATERIAL; OFFENSE.

17 (a) A metal recycling entity shall maintain an accurate record of
18 each transaction in which the entity purchases or otherwise
19 acquires copper or brass material from a person described by
20 Section 1956.133.

21 (b) A record meets the requirements of Subsection (a) if it
22 contains:

23 (1) a description of the weight of copper or brass
24 material purchased or otherwise acquired made in accordance with
25 the custom of the trade for the material that is the subject of the
26 transaction;

27 (2) the business name of the person from whom the

1 copper or brass material was purchased or otherwise acquired;

2 (3) if the copper or brass material includes insulated
3 communications wire that has been burned wholly or partly to remove
4 the insulation, documentation acceptable under the rules adopted
5 under Subsection (f) that states that the material was salvaged
6 from a fire; and

7 (4) the date of the transaction.

8 (c) A metal recycling entity shall preserve each record
9 required by this section until the second anniversary of the date
10 the record was made. The records must be maintained in an easily
11 retrievable format and must be available for inspection as provided
12 by Section 1956.135 not later than 72 hours after the time of
13 purchase or acquisition.

14 (d) A record containing the information described by
15 Subsection (b) that is maintained in accordance with other law or as
16 a routine business practice satisfies the requirements of
17 Subsection (a).

18 (e) The commission by rule shall prescribe the method by
19 which a metal recycling entity is required to document in a record
20 required by this section the type of seller, including a seller
21 listed in Section 1956.133, from which the entity purchased or
22 acquired copper or brass material.

23 (f) The commission shall adopt rules establishing the type
24 of documentation that a person described by Section 1956.133 who
25 sells insulated communications wire described by Subsection (b)(3)
26 must provide to a metal recycling entity to establish that the wire
27 was salvaged from a fire.

1 (g) A metal recycling entity commits an offense if the
2 entity intentionally or knowingly fails to maintain a record as
3 required by this section. An offense under this subsection is a
4 Class A misdemeanor.

5 Sec. 1956.135. INSPECTION OF RECORDS. On request, a metal
6 recycling entity shall permit a peace officer, a representative of
7 the department, or a representative of a county, municipality, or
8 other political subdivision that issues a license or permit under
9 Section 1956.003(b) to, during the entity's usual business hours:

10 (1) enter the premises of the entity; and
11 (2) inspect a record required to be maintained by
12 Section 1956.134.

13 Sec. 1956.136. EFFECT ON LOCAL LAW. (a) Notwithstanding
14 Section 1956.003, a county, municipality, or political subdivision
15 of this state may not:

16 (1) with respect to copper or brass material, restrict
17 the purchase, acquisition, sale, transfer, or possession of the
18 material by a person described by Section 1956.133; or

19 (2) alter or add to the recordkeeping requirements
20 provided by Section 1956.134.

21 (b) Subsection (a) does not affect the authority of a
22 county, municipality, or political subdivision of this state to:

23 (1) issue a license or permit as provided by Section
24 1956.003; or

25 (2) inspect a record as provided by Section 1956.135.

26 (c) Subsection (a)(2) does not affect a municipal ordinance
27 in effect on March 1, 2025, to the extent the ordinance requires a

metal recycling entity to submit records, in addition to any records required by Section 1956.134, to a searchable online database that is used by law enforcement to identify and locate damaged or stolen property and any individuals who may be associated with the damaged or stolen property.

Sec. 1956.137. ADMINISTRATIVE PENALTY. (a) The commission may impose an administrative penalty under Subchapter R, Chapter 411, Government Code, on a metal recycling entity that:

(1) violates Section 1956.133 due to the entity's failure to exercise due diligence in purchasing or acquiring copper or brass material; or

(2) violates Section 1956.134.

(b) The amount of the administrative penalty may not exceed \$10,000.

ARTICLE 3. TRANSITIONS; EFFECTIVE DATE

SECTION 3.01. Not later than January 1, 2026, the Public Safety Commission shall adopt rules necessary to implement the changes in law made by this Act to Chapter 1956, Occupations Code.

SECTION 3.02. Not later than September 1, 2028, the Department of Public Safety of the State of Texas shall complete the initial study required by Section 1956.019, Occupations Code, as added by this Act.

SECTION 3.03. The changes in law made by this Act to Sections 28.03 and 71.02, Penal Code, apply only to an offense committed on or after September 1, 2025. An offense committed before September 1, 2025, is governed by the law in effect on the date the offense was committed, and the former law is continued in

1 effect for that purpose. For purposes of this section, an offense
2 was committed before September 1, 2025, if any element of the
3 offense occurred before that date.

4 SECTION 3.04. This Act takes effect immediately if it
5 receives a vote of two-thirds of all the members elected to each
6 house, as provided by Section 39, Article III, Texas Constitution.
7 If this Act does not receive the vote necessary for immediate
8 effect, this Act takes effect September 1, 2025.