

## **BILL ANALYSIS**

Senate Research Center

C.S.S.B. 1154  
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Transportation & Homeland Security  
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Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Texas, along with most states nationwide, is experiencing an increase in thefts of metals, such as copper, bronze, and brass. Copper in particular has become a prime target for thieves largely because the price of copper has increased significantly in the last year. Losses from copper theft include not only the value of the stolen copper, but also losses resulting from damage done during the process of extracting copper from property and equipment.

Several states are exploring ways to bring the problem under control. Texas provides for penalties for the offenses of theft and criminal mischief and the penalties can escalate to second and third degree felonies depending on the value of the property stolen or equipment or property damaged, but those penalties have not been sufficient to stem the tide of this type of crime.

The perpetrators of such crime often turn to secondhand dealers to sell the stolen metals. Chapter 1956 (Sales To Metal Dealers And Metal Recycling Entities), Occupations Code, provides requirements for purchases of secondhand metals by metal dealers and recycling entities that are intended to curtail sales of stolen metals. However, there are few records kept relating to the sale of secondhand metal, and the punishment for selling stolen metal is a Class B misdemeanor. These laws should be revamped in order to make it harder to sell the material.

C.S.S.B. 1154 requires additional information to be obtained from a seller of metals and maintained by the purchaser of the metals. This bill also increases the penalties for offenses created under the subchapter.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 1956.001(5), Occupations Code, to redefine "personal identification document."

SECTION 2. Amends Section 1956.002, Occupations Code, to provide that this subchapter (Sale of Aluminum, Bronze, or Copper or Brass Material to Secondhand Metal Dealers) does not apply to a purchase of regulated material from certain vendors, including a public utility, that sell regulated material in the ordinary course of the vendor's business.

SECTION 3. Amends Section 1956.004, Occupations Code, as follows:

Sec. 1956.004. INFORMATION PROVIDED BY SELLER. (a) Requires a person attempting to sell regulated material to a secondhand metal dealer to take certain actions, including to provide to the secondhand metal dealer the make, model, and license plate number of the motor vehicle used to transport the regulated material, rather than sign a statement that the person does not possess a personal identification document, except as provided by Subsection (f). Redesignates existing Subdivision (2) as (3).

(b) Makes conforming changes.

(c) Requires the secondhand metal dealer or the dealer's agent to visually verify the accuracy of the identification presented by the seller at the time of the purchase of regulated material and, except as provided by Subsection (f), make a copy of the identification to be maintained by the dealer in the dealer's records.

(d) Authorizes the secondhand metal dealer or the dealer's agent for recordkeeping purposes to photograph the seller's entire face, not including any hat, and obtain the name of the seller's employer.

(e) Authorizes the secondhand metal dealer or the dealer's agent for recordkeeping purposes to take a photograph of the motor vehicle of the seller in which certain features are identifiable in lieu of the information required under Subsection (a)(2).

(f) Provides that the secondhand metal dealer is not required to make a copy of the identification as required under Subsection (c) or collect the information required under Subsection (a)(2) under certain circumstances.

SECTION 4. Amends Section 1956.005, Occupations Code, to require a secondhand metal dealer to keep a written record of certain purchases, including copper or brass material, rather than copper and brass material in excess of 50 pounds, aluminum material in excess of 10, rather than 40, pounds, and the information required by Section 1956.004, rather than the statement required by Section 1956.004(a)(2).

SECTION 5. Amends Section 1956.006, Occupations Code, to require a secondhand metal dealer to preserve certain records required by Sections 1956.004 and 1956.005.

SECTION 6. Amends Section 1956.010, Occupations Code, as follows:

Sec. 1956.010. **PROHIBITED ACTS.** Prohibits a person from making certain misrepresentations in connection with the execution of a written statement required by Section 1956.004(a)(3), rather than Section 1956.004(a)(1) or (2), or displaying or providing certain information to a secondhand metal dealer under Section 1956.004 that the person knows is false or invalid.

SECTION 7. Amends Section 1956.011, Occupations Code, as follows:

Sec. 1956.011. New heading: **CRIMINAL PENALTIES.** (a) Provides that a person commits an offense if the person knowingly violates a provision of this subchapter (Sale of Aluminum, Bronze, or Copper or Brass Material to Secondhand Metal Dealers). Provides that an offense under Section 1956.005 or 1956.006, rather than under this section, is a Class B misdemeanor unless it is shown on trial of the offense that the person has previously been convicted of a violation of this subchapter, in which event the offense is a Class A misdemeanor. Deletes existing text relating to exception provided by Subsection (c). Deletes existing text providing that an offense under this section is a Class A misdemeanor if the person has been convicted of a violation of this subchapter within the 36 months preceding the date of the offense.

(b) Provides that an offense under Section 1956.010 is a Class A misdemeanor unless it is shown on trial of the offense that the person has previously been convicted of a violation of this subchapter, in which event the offense is a state jail felony.

(c) Provides that a person commits an offense if the person knowingly buys stolen regulated material. Provides that an offense under this subsection is a Class A misdemeanor unless it is shown on trial of the offense that the person has previously been convicted under this subsection, in which event the offense is a state jail felony.

(d) Provides that a person commits an offense if the person knowingly sells stolen regulated material. Provides that an offense under this subsection is a state jail

felony unless it is shown on trial of the offense that the person has previously been convicted under this subsection, in which event the offense is a third degree felony.

(e) Redesignated from existing text. Authorizes a court, on the conviction of a secondhand metal dealer for an offense punishable under Subsection (a) or (c), to order that the dealer cease doing business as a secondhand metal dealer for a certain period of time based on the type of offense committed, in addition to imposing any other applicable penalty.

(f) Authorizes the actor to be prosecuted under this section or another law if conduct that constitutes an offense under this section also constitutes an offense under the other law.

SECTION 8. Makes application of this Act prospective.

SECTION 9. Effective date: September 1, 2007.