

MINUTES OF THE SENATE FEDERAL AND STATE AFFAIRS COMMITTEE

The meeting was called to order by Chairman Pete Brungardt at 1:15 p.m. on March 23, 2011, in Room 144-S of the Capitol.

All members were present except:
Senator Steve Abrams
Senator Steve Morris

Committee staff present:
Jason Long, Office of the Revisor of Statutes
Doug Taylor, Office of the Revisor of Statutes
Dennis Hodgins, Kansas Legislative Research Department
Julian Efird, Kansas Legislative Research Department
Connie Burns, Committee Assistant

Conferees appearing before the Committee:
Senator Pyle
Whitney Damron, City of Topeka
Bud Burke, Advantage Recycling

Others attending:
See attached list.

Committee minutes for February 15, 16, 17, 22 and March 2, 8, 9, and 10. Distributed on March 18, 2011, stand approved.

Introduction of Bills:

Senator Pyle requested a bill introduction to change the Governor's allotment power.

Senator Ostemeyer moved that this request should be introduced as a committee bill. Senator Faust-Goudeau seconded the motion. The motion carried.

Chairman Brungardt requested a resolution introduction for Senator Kelly Kultala regarding immigration reform policies.

Senator Brungardt moved that this request should be introduced as a committee bill. Senator Owens seconded the motion. The motion carried.

HB 2312 - Regulated scrap metal; licensing scrap metal dealers; unlawful acts; criminal penalties.

Chairman Brungardt opened the hearing on **HB 2312**.

Whitney Damron, City of Topeka, testified in favor of the bill. (Attachment 1) The bill would create new sections of law to govern scrap metal dealers. New sections 1, 2 and 3 have been redrafted as substitute language, rather than attempting to amend the balloon version provided to the Judiciary Committee.

New Section 1

- Amended from a licensure process for scrap metal recyclers into a registration procedure on a form created by the Kansas Attorney General
- Local law enforcement agencies are notified of a new scrap metal recycler registration, but neither they or local units of government can deny a registration except in cases where the registrant is not qualified to register
- Persons licensed under KSA 8-2404 are exempt from the act

New Section 2

- Registration process
 - If convicted of certain felonies in the five years preceding cannot hold a scrap metal dealer license
- Registration is valid for ten years

CONTINUATION SHEET

The minutes of the Federal and State Committee at 1:15 p.m. on March 23, 2011, in Room 144-S of the Capitol.

New Section 3

- The reasons when and for what a local unit of government can seek to suspend a scrap metal dealer's registration for up to 30 days or revoke. A registration can be revoked if it has been suspended three times within the preceding 24 months
- Registrant is allowed to seek permission from the court to continue to operate during enforcement proceedings
- Actions are brought against a registrant's location, not the company that might have multiple locations with a state

Section 4

- Enhanced penalties for metal theft crimes that will now include the cost of damage repair or replacement due to theft

Section 5

- No changes to current law

Section 6

- Clarification of telecommunication's wire language
- Deletion of section (g) and subsections; moved into KSA 50-6,110 (vs 50-6,1111)

Amendment to KSA 50-6,110

In working with Advantage Metals, the restrictions proposed in Sec. 6 of the bill should properly be in this statute, not where originally placed.

New (e) four exceptions to purchasing certain metals, which will require the collection of the prescribed information from sellers, payment by check or in the alternative, capture of a photograph of the seller, and identifies payment

New (f) Outlines payments required to be made either by numbered check for certain transactions or via an electronic payment distribution system with certain photography and record keeping capabilities.

Staff provided a balloon to cover the changes above. (Attachment 2)

Bud Burke, on behalf of Advantage Metals, spoke in favor of the bill. (Attachment 3) It was requested that Advantage be heavily involved to ensure the technical definitions are correct and consistent with industry standards since the cost of non-compliance will move from monetary fines to loss of ability to operate their business. What seems like minor wording changes can also have unintentional consequences of limiting what material can and can't be recycled by individuals and businesses. Information was provided on Advantage Metal.

Chairman Brungardt closed the hearing on **HB 2312**.

Final Action:

HB 2312 - Regulated scrap metal; licensing scrap metal dealers; unlawful acts; criminal penalties.

Senator Reitz moved the balloon provided by staff. Senator Haley seconded the motion. The motion carried.

Senator Haley moved to pass HB 2312 out favorably as amended. Senator Reitz seconded the motion. The motion carried.

The meeting was adjourned at 1:35 p.m.