
Consumer Protection & Business Committee

HB 1453

Brief Description: Protecting consumers by increasing penalties for scrap metal businesses who purchase stolen copper from telecommunication cables.

Sponsors: Representatives Griffey, Couture, Caldier, Davis, Nance, Scott and Simmons.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Establishes new civil penalties for a scrap metal processor that engages in a transaction for stolen copper used in telecommunication cables.

Hearing Date: 2/5/25

Staff: Megan Mulvihill (786-7304).

Background:

Transaction Requirements for Scrap Metal Businesses.

Scrap metal businesses engaged in purchasing or receiving commercial, nonferrous, or private metal property (property) are subject to certain statutory requirements. These statutory requirements include licensing, specific recordkeeping duties, restrictions on transactions, and obligations to cooperate with law enforcement to assist in preserving evidence of stolen property. For every transaction, the scrap metal business must record:

- the seller's signature;
- the time, date, location, and value of the transaction;
- the name of the scrap metal business employee involved in the transaction;
- the name, street address, and telephone number of the seller;
- the license plate number, state of issuance, and a description of the motor vehicle used to deliver the property;

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- the seller's driver's license number or other government-issued picture identification;
- a description of the type of property subject to the transaction, including weight, quantity, or volume; and
- a signed declaration from the seller that the property subject to the transaction is not stolen property.

Scrap metal businesses are prohibited from entering into some transactions. For example, a scrap metal business is prohibited from entering a transaction if a seller cannot produce identification. A scrap metal business may not accept metallic wire that was burned to remove insulation unless the seller has documentation that the wire was lawfully burned. Scrap metal businesses are also restricted in conducting cash purchases, with a maximum of \$30 in cash allowed for only certain transactions.

Chiefs of police, county sheriffs, and the Washington State Patrol may make unannounced, periodic inspections of a scrap metal businesses' premises and records during normal business hours. In addition, a scrap metal business must determine whether a seller is listed on the Washington Association of Sheriffs and Police Chiefs no-buy list database.

Civil and Criminal Penalties for Violations.

A scrap metal business who violates requirements that are not subject to criminal penalties is subject to a civil penalty of not more than \$1,000. Subsequent violations are punishable by a fine of not more than \$2,000. Certain violations carry criminal penalties. For example, it is a gross misdemeanor for a scrap metal processor to: (1) purchase or receive any property where identifying marks engraved or etched upon the property have been deliberately and conspicuously removed, altered, or obliterated; (2) enter into a transaction for property with anyone whom the scrap metal business has been informed of by law enforcement to have been convicted of a crime involving drugs, burglary, robbery, theft, or possession of or receiving stolen property; or (3) possess property that was not lawfully purchased or received.

Summary of Bill:

A scrap metal business that engages in a pledge for, the purchase of, or the trade of stolen copper that was used in telecommunication cable, the theft of which can result in the disruption to emergency telecommunication services, is liable for a civil penalty of:

- not more than \$10,000 for a first violation; and
- not more than \$20,000 for a second violation.

If a third violation occurs, the scrap metal business must have their license revoked.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is

passed.