

oral
SENATE COMMITTEE ON TAXATION
Neutral Testimony on SB 429 – Delaying Implementation of Certain Scrap Metal Act
Provisions
Mar. 14, 2018

Presented by:
Leslie Kaufman, Director of Government Relations and Legal Counsel
Kansas Electric Cooperatives, Inc.

On Behalf of:
Kansas Electric Cooperatives, Inc., Westar Energy, Kansas City Power and Light, KEPCo, Liberty
Utilities, Kansas Municipal Utilities, Sunflower Electric Power Corporation, Mid-Kansas
Electric Company, Inc., Kansas Cooperative Council and the Kansas Rural Independent
Telecommunications Association

Chair Tyson and members of the Committee, thank you for the opportunity to appear today as a neutral conferee on SB 429 regarding the scrap metal act. I am Leslie Kaufman and I serve as the Director of Government Relations and Legal Counsel for Kansas Electric Cooperatives, Inc. (KEC). I appear before you on behalf of the utility and cooperative interests noted above.

From 2007 to 2015, the Kansas legislature struggled to address the growing problem of scrap metal theft. Churches, schools, businesses, utility substations, farms, irrigation equipment and homes were being vandalized to obtain scrap metal. Copper pipes, tubing and wires were a major target. The damages and repairs from the theft of copper wiring worth less than \$10 could cause major repair bills, damage the equipment stripped and often caused huge increases in insurance premiums.

In 2014, the legislature authorized a task force to work through the Judicial Council and craft a comprehensive legislative proposal. The task force included representatives from the legislature, scrap industry, law enforcement, local government and representatives from industries impacted by theft and damage. The task force looked at laws and procedures in other states, examined database use and its impacts and a myriad of other issues. The task force's work product helped pave the way for legislation strengthening penalties for metal theft. That law is now codified at K.S.A. 50-6,109, the *Scrap Metal Theft Reduction Act*.

The entities referenced above support the *Kansas Scrap Metal Theft Reduction Act*. We acknowledge there are difficulties in meeting the data collection and storage requirements of the act. The cost of developing an entirely new scrap metal database currently appears cost prohibitive. Adapting an existing state database does not appear to be readily available either. As such, we understand the reasons proponents of SB 429 will want to delay implementation of the database-related items within the act.

We will not oppose the bill before you today in its current form. Although we understand the need for extending the implementation period as outlined in SB 429, significant strides must be

made to fund, house and develop the scrap metal database. We support the entire act and want to see it fully implemented as quickly as possible. Additionally, our organizations will oppose efforts beyond the extension in SB 429 to undercut the integrity of the scrap metal act as a law enforcement tool and theft deterrent.

Thank you for the opportunity to share our views on SB 429. We will stand for questions at the appropriate time.

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