

**STAN FROWNFELTER**

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TOPEKA

HOUSE OF  
REPRESENTATIVES

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INSURANCE

March 15, 2019

Chairman Wilborn

Vice Chairman Rucker

Ranking Minority Member Miller

Thank you for allowing me to testify today. I am not going to say much about Senate Bill 219 itself, but merely leave you with questions about Senate Bill 219.

There are eighty-seven dealers in Kansas with several of them having more than one location.

New Section 1. (a) There is imposed an excise tax upon a scrap metal dealer on the purchase of scrap metal. The tax shall be calculated and imposed on each transaction where the scrap metal dealer purchases scrap metal. The rate of tax on purchases of scrap metal shall be as follows:

- (1) For purchases less than 100 pounds of scrap metal, there shall be no tax;
- (2) for purchases greater than 100 pounds and less than one ton of scrap metal, the rate of tax shall be \$0.50; and
- (3) for purchases greater than one ton of scrap metal, the rate of tax shall be \$1 per ton of scrap metal.

(b) A scrap metal dealer shall record daily, in the manner required by the secretary of revenue, every transaction where the dealer purchases scrap metal. The dealer shall maintain the records for the period required by the secretary and shall make records available for inspection and audit upon request by the secretary.

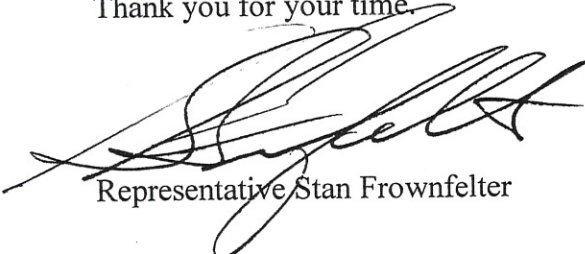
(c) This section does not require a scrap metal dealer to impose the tax on a customer of the scrap metal dealer. A scrap metal dealer has the discretion to determine the manner in which the dealer derives the money required to pay the tax imposed pursuant to this section and may impose the tax on customers.

Section 3. (d) On and after January 1, 2020, each registration for a scrap metal dealer to purchase regulated scrap metal shall be accompanied by a fee of not less more than \$500 nor more than \$1,500 \$750, as prescribed by the attorney general, for each particular place of business for which a registration is desired.

These are the questions that need to be asked about Senate Bill 219:

- 1) What is going to be the point of reference?
- 2) Dealers have been paying \$1500.00 annually over the past two years. At a maximum, that means \$103,500 has already been paid annually to the Attorney General's Office with almost zero oversight - where has that money gone?
- 3) Why do we need a price on pounds and tonnage?
- 4) How do we know that this is going to work if passed?
- 5) Why are we not using the ISRI system designed to track scrap metal dealers and provide theft alerts throughout the United States and Canada?
- 6) Are any of the organizations complaining providing any support and funding on their end to help deter the problem?
- 7) Why do we need a statewide database?
- 8) Why are we reporting to the Attorney General?

Thank you for your time.



Representative Stan Frownfelter

SMTRA - Registered Scrap Metal Dealers Location City Expiration Date

1. 12th & Haskell Recycling Center 1006 E. 11th Street Lawrence 12/31/2017
2. 21st Century Recyclers 1101 N. Main Pratt 12/31/2017
3. 21st Street Metal Recycling, LLC 1007 E. 21st Street Wichita 12/31/2017
4. Acme Scrap 700 Frey Street Great Bend 12/31/2017
5. Advantage Metals Recycling, LLC 2466 N.W. K-7 HWY Columbus 12/31/2017
6. Advantage Metals Recycling, LLC 302 Graham Street Emporia 12/31/2017
7. Advantage Metals Recycling, LLC 854 HWY 69 Fort Scott 12/31/2017
8. Advantage Metals Recycling, LLC 1153 S. 12 Street Kansas City 12/31/2017
9. Advantage Metals Recycling, LLC 1015 S. Packard Kansas City 12/31/2017
10. Advantage Metals Recycling, LLC 1545 N. 3rd Street Lawrence 12/31/2017
11. Advantage Metals Recycling, LLC 1628 NW Gordaon Street Topeka 12/31/2017
12. Allmetal Recycling, LLC 401 E. 1st Street Newton 12/31/2017
13. Allmetal Recycling, LLC 800 E. 21st Street North Wichita 12/31/2017
14. Allmetal Recycling, LLC 9800 W. York Street Wichita 12/31/2017
15. Asner Iron & Metal Co., Inc. 34 N. James Street Kansas City 12/31/2017
16. Axis Iron & Metal Recycling Co., Inc. 5546 N. Broadway Street Park City 12/31/2017
17. B C Salvage 530 S. 5th Herington 12/31/2017
18. Bailey & Bailey, Inc. 4120 NE Seward Topeka 12/31/2017
19. Boge Iron & Metal Company, Inc. 800 S. St. Francis Wichita 12/31/2017
20. Broadway Truck & Auto Inc. 8159 N. Broadway Valley Center 12/31/2017
21. CB Trucking & Service, LLC 301 N. Main Beverly 12/31/2017
22. Central Kansas Salvage 2303 E. Highway 40 New Cambria 12/31/2017
23. Charley Heath West 40 Salvage 2600 W. Old Hwy 40 Salina 12/31/2017
24. Christner Salvage and Recycling 604 South 5th Street Herington 12/31/2017
25. Colby Salvage Metal Co, Inc. 1150 Plains Avenue Colby 12/31/2017
26. Commercial Metals Co., DBA: CMC Recycling, 501 S. 20th Street Independence 12/31/2017
27. Donham Companies, LLC 1631 S. Hoover Court Wichita 12/31/2017
28. DR Property, LLC, DBA: Wamego Recycling 18070 Hwy 24 Wamego 12/31/2017
29. East Wilson Recycling 2202 E. Wilson Ottawa 12/31/2017
30. F&F Iron & Metal Company 514 Washington Norton 12/31/2017
31. F&F Recycling of Garden City 3710 W. Jones Garden City 12/31/2017
32. Friesen Recycling 11139 Road 5 Liberal 12/31/2017
33. Gilley's Metal 2412 E. 4th Avenue Hutchinson 12/31/2017

34. Glickman Metal Recycling, LLC 410 E. 25th Street North Wichita 12/31/2017
35. Heavy Metal Recyclers, Inc. 511 Pedigo Drive Pratt 12/31/2017
36. Heavy Metal Recyclers, Inc. 76 SE 16 Road Great Bend 12/31/2017
37. Hess & Sons Salvage, Inc. 1209 Perry Junction City 12/31/2017
38. Hess Salvage, Inc. 402 Bridge Street Clay Center 12/31/2017
39. Heymann Iron & Metal Co. 1216 Beech Street Coffeyville 12/31/2017
40. Howie's Enterprises, LLC 625 S. 10th Street Manhattan 12/31/2017
41. Hugoton Metal Recycling 1611 Highway 25 Hugoton 12/31/2017
42. Hurst Recycling Inc. 1920 E. 68th Street Wichita 12/31/2017
43. Industrial Metals Warehousing & Trading DBA: ABC Recycling, LLC 815 E. Gilbert Wichita 12/31/2017
44. Joe L. Leikam 10987 SW 207th Road Jetmore 12/31/2017
45. Kelly Salvage 214 N. Ash Harper 12/31/2017
46. Ken Pfeifer Salvage 1292-B Feedlot Road Hays 12/31/2017
47. Ken's Recycling, Inc. 800 W. 1st Street McPherson 12/31/2017
48. Kilpatrick Auto Supply, Inc. 3201 E. 11th Avenue Hutchinson 12/31/2017
49. L&M Northside Recycling 1801 NE Grantville Road Topeka 12/31/2017
50. Langley Recycling 503 SE Branner Street Topeka 12/31/2017
51. Lodge Auto Salvage 1515 NW River Road Medicine Lodge 12/31/2017
52. McKinnis Iron & Metal, Inc. 316 N. State Street Lyons 12/31/2017
53. McPherson Metals, LLC 1060 W. Woodside Street McPherson 12/31/2017
54. Midwest Iron & Metal Co., Inc. 700 S. Main Hutchinson 12/31/2017
55. Osage Salvage & Recycling, LLC 600 N. Martin Osage City 12/31/2017
56. Perryton Iron & Metal DBA: P.I.M., LLC 1224 W. Lincoln Road Garden City 12/31/2017
57. Perryton Iron & Metal DBA: P.I.M., LLC 334 S. Virginia Ave. Liberal 12/31/2017
58. Pfeifer Recycling, Inc. 1115 Highway 183 Stockton 12/31/2017
59. Pifer's Auto Salvage 6809 E. 17th Hutchinson 12/31/2017
60. Recycling Services 420 S. Walnut Parker 12/31/2017
61. Robert A Guenther & Sons 798 East 1250 Road Lawrence 12/31/2017
62. Rohrs Recycling 2364 HWY 183 LaCrosse 12/31/2017
63. Russell Riederer 23281 S. 2nd Road Holton 12/31/2017
64. Salina Iron & Metal Company 312 5th Salina 12/31/2017
65. Samco Industries, Inc. 1920 N. Koch Industrial Road Kingman 12/31/2017
66. Sandlian Iron & Metal 3059 N. Hoover Wichita 12/31/2017
67. Santa Fe Tow Service, Inc. 9125 Roshill Road Lenexa 12/31/2015

68. Scrap Management of Kansas, Inc. dba Midwest Scrap Management 850 E. 45th Street North Park City  
12/31/2017
69. Scrap Management, LLC DBA: River Edge Scrap Management 836 S. 26th Street Kansas City 12/31/2017
70. Shapiro Sales Company DBA: Shapiro Metals 2527 S. Kessler Wichita 12/31/2017
71. Silas Enterprises 2115 E. 11th Avenue South Hutchinson 12/31/2017
72. Smith Construction Services 3872 York Street Scottsville 12/31/2017
73. Stuart Salvage, Inc. 1313 Hwy 56 Lyons 12/31/2017
74. South Senca Scrap, LLC 1251 S. Seneca Wichita 12/31/2017
75. Southside Recycling, LLC 1025 Coffeyville Road Independence 12/31/2017
76. Southside Recycling, LLC 2111 N. 21st Parsons 12/31/2017
77. Thummel Salvage 1.15 Miles S. Grove "Z" on Grove 66 Grove County 12/31/2017
78. Till Star Enterprises 2001 SW Western Topeka 12/31/2017
79. Tim's Weldins DBA Mainz LLC 16001 W Pawnee Goddard 12/31/2017
80. Trotnic Recycling 5205 W. Main Parsons 12/31/2017
81. Weninger Motors 25215 W. 29th Street N. Andale 12/31/2017
82. Wes' Recycling, Inc. 5399 W. 1000 Road Centerville 12/31/2017
83. Wessel Iron & Supply, Inc. 803 E. Trail Street Dodge City 12/31/2017
84. Wichita Iron & Metals Corp., Inc. 922 W. Merton Wichita 12/31/2017
85. Wichita Material Recovery, LLC 624 E. Morris Street Wichita 12/31/2017
86. William Thieme 8220 E. Oxford Cicle #10104 Wichita 12/31/2017
87. Winfield Iron & Metal, Inc. 405 Manning Winfield 12/31/2017

## » Getting Started

## Stop Material Theft

The scrap recycling industry is working to be a part of the solution to material theft. ScrapTheftAlert.com is a tool for law enforcement that allows you to alert the scrap industry of significant thefts of materials in the United States and Canada. Upon validation and review, alerts you post are broadcast by email to all subscribed users within a 100 mile radius of where the incident occurred.

» Report a Theft

## » Theft Alert Stats

Year: **All**  Nationwide  State/Province

## Alert Summary

Total Alerts:	19915
Total Active Users:	25,769
Recovered Property Amount:	\$2,914,078



United States ▾

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### Metals Theft Workshops in Ohio

Posted Jan 22

The Cleveland-Cuyahoga County Environmental Crimes Task Force is offering free training for Oh...

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Posted Dec 3

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### User Advisory

Posted Apr 11

Please remember, all thefts reported to ScrapTheftAlert.com must be reported to law enforcement and the proper information recorded in the Law Enforcement Section. Recyclers or other users who identif...

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Posted Feb 25

Effective immediately, ScrapTheftAlert.com will no longer broadcast alerts for stolen motor vehicles. This change is due to law enforcement's ability to report stolen motor vehicles on state criminal ...

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### ScrapTheftAlert.com Change of Vendor

Posted Aug 2

Users of ScrapTheftAlert.com (STA): Be advised the system has been transitioned to a new host vendor. Salient CRGT has assumed operation of the system. With the exception of the new logo in the lower ...

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14 **Telecommunications Wire (copper)**  
Fort Gay, WV
- MAR [TX2019031376979](#)  
13 **Copper Control Cable**  
Holland, TX
- MAR [MI2019031376978](#)  
13 **aluminum unfinished engine blocks**  
Detroit, MI
- MAR [WI2019031276977](#)  
12 **COPPER TUBING 2" & 3/4" W/COPPERT FITINGS AND COPPER JOINTS**  
Milwaukee, WI
- MAR [DE2019031276976](#)  
12 **Copper buss bar and ground wire**  
Georgetown, DE

» All Alerts

## » Success Stories

- JAN [Romex Wire & Copper Tubing](#)  
14 **OHIO**
- MAY [Industrial / Commercial Copper Wire](#)  
7 **ONTARIO**
- APR [Copper Wire](#)  
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- DEC [Aluminum T-Bar Stock](#)  
19 **CALIFORNIA**
- JUL [Aluminum Ingots](#)  
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