

SB 219

Excise Taxes & Dealer Fees

Good Morning...My name is Kristy Pfeifer with Ken Pfeifer Salvage from Rural Hays area in Western Kansas. I am Opposed to the SB 219 – which inflicts more fees and charges to the Rural and Small Business owners in Metal Recycling. This Bill states that Every Transaction will have Excise Tax. This includes Business to Business—Our Commercial Clients, Farmers, Governments which include City, State, Utility Companies, Municipalities and Metal Dealers.

Law states Record Excise Tax Daily! How do they propose this? How do we carry that out? Where will this be recorded? How will it be recorded and submitted? More Time, Money, Manpower and Employees to do this task. Financially affecting the Rural and Small Businesses once again. It takes more time and money to process paperwork, do the accounting, pay taxes, submit information and fees.

Dealer fees are being re-introduced in SB219. The Dealer fees are currently set at \$750.00 However, in the previous bills formed by giving the authority to the Attorney General....fees were set and not to exceed a certain amount...but guess what...The Attorney General raised those fees and requested more money from the Metal Recyclers for the Annual Registration Fee. We paid 2 years of those fees and nothing was refunded or returned to the Salvage Dealers. We are out \$2,000 in fees previously paid. In a letter from the Attorney General it stated he had collected \$92,750 in fees by Sept of 2017 with at least 2 years of payments from Licensed Metal Recyclers. In a previous meeting we were informed that they collected \$73,000 in 2016 and \$79,000 in 2017. How many recyclers were never registered or went out of business? Statistics not there to track? With the proposed SB 219 of collecting Registration fees, where the recyclers were treated like criminals by being fingerprinted and investigated in order to continue doing our business. Our family business has been in business for more than 40 years. How long will it be before the Attorney General decides again to raise those Registration fees again?

With the Database – We have lots of Questions unanswered.

1. Info Required to submit, in what format?

Are we talking about a high volume of copies of tickets, driver's licenses of sellers, prices of items and quantity of items purchased, plus the high volume of pictures for every item purchased by recyclers.

2. What is the Timeline for submitting the information? (24 hours, day, week, month)
3. Cost to Recyclers for information to be submitted. What will it cost the Recycler and Rural, Small business to submit the items? Will it be a cost per item, per photo, per ticket? Unknown fees once again.

These Database questions are going to require more time and money from the recyclers that have been strapped onto the rural and small business owners. It will cost us more for the additional Cameras, Security, Internet Services, Computers, Device Storage, Technology Services, Software, Hardware, Access to Printers and Copiers, Maintenance to those electronic systems and devices.

I have major concerns with the Rising Unknown and Hidden Fees to support this Database. It will cost us to submit, send, process information required with additional time constraints for all the details needed. The Database will not be fool proof or practical. Still lack the Detail or Specific Evidence to prosecute those criminals. Cases go to court are dropped or thrown out because it comes down to the lack of proof that those specific items are the exact ones that were stolen. Comes down to "He said, She said, Who's word is believable against another's word". No 100% Proof or sufficient evidence to prosecute.

Our company purchased a batch of batteries with a little bit of copper...

A local rural resident aka The Landowner contacted us directly inquiring about if someone brought in those items....

We invited this gentleman to come out and look and describe the items he had stolen and include any details that could help us locate the items or the potential suspects.

He arrived and we scanned the photos, went thru the actual items purchased the previous days and were unable to conclusively identify if the items he lost were in our possession. We then contacted the Sheriffs Department and they arrived and gathered copies of a group of the tickets, drivers license's of potential suspects and their vehicles, and photographed some of the actual similar items in our possession to identify if they were stolen. However, the landowner was unable to identify for sure, 100% if the items in our recycling yard were the exact ones he had lost. Not sure of the evidence, unable to prosecute potential suspects because the lack of the proof and evidence. There is no DNA evidence or identifying markings specific to identify items as items suspected to be stolen. Landowner had no pictures or proof of his items before they were stolen either to help identify them.

We all want the same thing in the Metal Recycling Industry....To stop Metal Thefts, Prevent catastrophic losses and metal thefts. We all want to catch the bad guys and prevent them from doing it again.

Solutions to Prevent Metal Thefts....

1. ALERT SYSTEMS, we need a sophisticated alert system to be established, implemented and carried out to alert All Metal Recyclers in the state and surrounding states since some of our larger cities border the adjoining states directly. We need BOLO's (Be on the lookout for) to watchdog as much as we can and be suspicious of activities with those items.
2. Compromise to create Laws and Regulations that will satisfy both the business owners, metal recyclers, law makers, law enforcement without economically destroying the smaller businesses in the process.

3. Strict Criminal law on the criminals which out current bills have majority of those in place standard to convict the criminal.
4. Proof, need a way to prove the items are stolen. Need proof of the items actually being the exact items taken. Safeguards established to protect the potential of prosecuting innocent parties without knowing 100% about items taken.
5. Education/Training Law enforcement, Metal Recyclers, Public to gathering intel to work together to prevent metal thefts.
The database is not 100% proof, unlawful to profile people with this type of system.
6. Local landfills, county recycling centers, business dismantlers do not have to follow the Recycling rules? Why is that our local landfill or other potential businesses not classified as a metal recyclers....can accept recycled items from individuals or companies without documenting those who are selling, dropping off or dumping items without photos, tickets, drivers licenses, or submitting that information to the state as well?
7. Stop Gypsies, Traveling buyers & sellers in our communities, across the state, traveling along our highways thru our cities and prevent those transient individuals that are NOT registered properly from buying and selling metals without being monitored. Local law enforcements need to stop them with proper laws, etc.

Let's all work together and create standard laws to prevent metal thefts correctly and work on ways to prove items are stolen, find a way to correctly identify those potential items so prosecution of criminals will stick and punishments can be carried out. Recycling Metals is necessary to keep our communities, highways, rural roads, and rural country sides cleaned up and provide healthier environment by disposing of the metals, batteries, oilfield equipment, and other items properly.

Thank you for your time and consideration and let's work on making the necessary changes to stop metal thefts.

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