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STATEMENT OF BRAD SMOOT
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ADVANTAGE METALS RECYCLING
SENATE JUDICIARY COMMITTEE
REGARDING 2020 SENATE BILL 344
FEBRUARY 12, 2020

Mr. Chairman and Members:

Advantage Metals Recycling (AMR) is the largest scrap recycler in Kansas and Missouri, operating 11 locations in the two states with just over 200 employees. We are a wholly owned subsidiary of Nucor, the most diversified steel company in North America with more than 300 locations and nearly 26,000 employees.

Our state-of-the-art equipment and processes handle metals from households, farms, industrial, construction and commercial sites, including mobile crushing and bailing systems. Our facilities purchase and recycle nearly 1 billion pounds of metal annually. In fact, AMR purchased and processed much of the copper from the Capitol dome as part of the Kansas statehouse remodel.

Locations in Kansas include plants in Kansas City, Kansas, Columbus, Emporia, Fort Scott, Topeka, and Lawrence. Together, AMR plants convert valuable metals into useable raw materials for industry instead of those same metals ending up in Kansas landfills or rusting away on farms and vacant lots.

As you know, AMR has been an active participant in the development of the Kansas Scrap Metal Reduction Act and its many iterations passed over the last few years. We testified in favor of the 2019 bill but with a few concerns about privacy issues which you and your colleagues successfully corrected. Thank you for making those changes.

In the last hours of the 2019 Session, the final version of HB 2248 was put together by the Judiciary Conference Committee where a new provision was added in Section 6(c) requiring scrap metal dealers to take a photograph of the vehicle in which the junk vehicle or other regulated scrap metal property is delivered. See L.2019, Ch. 66, Sec. 6(c). As you know, other provisions of the act require dealers to record the name, driver's license information, vehicle tag number, photographs of the materials being purchased and other information. As a practical matter, AMR takes pictures of large trucks that deliver ferrous metals to our outdoor scales. Those photographs are automatically attached by the system to the purchase ticket along with the other required information.

However, nothing in prior law required the recyclers to photograph the delivery vehicles for smaller, typically, nonferrous transactions where the delivery vehicle is not presented at the scale at the time of purchase. Photographing these vehicles was a new concept. Lawmakers did not have an opportunity to hear from those dealers who will soon be asked to comply with this provision in 2020. While scrap dealers support law enforcement efforts to decrease scrap metal theft, the requirements of this section appear to be unduly burdensome, time consuming, costly and of little value. Please consider these observations:

1. Many of the regulated scrap metal purchases are not weighed on the large outdoor truck scales but rather on interior scales where the customer carries the material to the scales, it is weighed and photographed and given a purchase price, with the transaction taking place away from the delivering vehicle. In order to comply with Section 6(c), the scale operator or other employee must stop their other duties, grab a phone or camera, exit the indoor facility, brave the elements (rain, snow, heat), walk out in the parking lot and have the scrap customer identify his or her vehicle and then take a photo of the "delivery vehicle."
2. The employee then returns to the interior of the facility and matches the photo to the purchase ticket whether electronically or with a paper ticket. This process delays the transaction, slows down operations for other recycling customers, will add additional cost to employ enough personnel to perform this added task and is prone to error as the recycler will have to depend on the seller to identify their vehicle.
3. These photographs of the delivery vehicle are required to be recorded and maintained by the scrap dealer indefinitely, yet they are most likely not going to be uploaded to the statewide scrap metal data base to be searched, cataloged or analyzed by law enforcement. The chances that one of these photographs of a delivery vehicle will ever be the key evidence in a criminal prosecution is astronomically small. The law literally requires law abiding dealers to collect and "warehouse" this information forever." And to do so at their own expense.

In short, while we understand that law enforcement would like to have every piece of evidence at its disposal, the requirements of Section 6(c) seem overly burdensome on the private sector and of little or no value in 999 cases out of 1000. In our view, this provision does not survive any basic cost/benefit analysis and should be repealed. Consequently, we urge you to remove this requirement from the law. SB 344 does that.

Thank you for your efforts in improving the scrap metal theft reduction act and your willingness to consider our suggested change. We are happy to respond to questions or suggestions.