STAND. COM. REP. NO.



Honolulu, Hawaii MAR 02 2007

RE:

S.B. No. 230

S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Madam:

Your Committees on Commerce, Consumer Protection, and Affordable Housing and Judiciary and Labor, to which was referred S.B. No. 230 entitled:

"A BILL FOR AN ACT RELATING TO SCRAP METAL,"

beg leave to report as follows:

The purpose of this measure is to require scrap dealers, when buying copper from an individual, to require the individual to present valid identification and be fingerprinted.

Testimony in support of this measure was submitted by the Department of the Prosecuting Attorney for the City and County of Honolulu, the Honolulu Police Department, Hawaiian Electric Company, and the Kuli'ou'ou/Kalani Iki Neighborhood Board #2. Testimony in opposition to this measure was submitted by Schnitzer Steel Hawaii Corporation; Okuda Metals, Inc.; and Reynolds Recycling. The Department of the Attorney General submitted comments on this measure.

Your Committees find that the recently higher prices for copper have resulted in a spate of copper theft across the State. Not only does the theft of copper cost taxpayers money for replacement and repair, it also causes major disruptions to public services and utilities.

Your Committees find that requiring scrap dealers to obtain certain information from sellers prior to purchasing copper, will



deter scrap dealers from buying stolen copper and lessen the incentive for thieves to steal copper.

After full discussion on this measure, your Committees have amended this measure by:

- (1) Removing the fingerprinting requirements;
- (2) Requiring sellers of copper, in whole or in part, to provide a receipt or a notarized statement for the scrap metal upon offering the metal for sale to a scrap dealer;
- (3) Requiring the scrap dealer to refuse to accept any copper, in whole or in part, if the seller cannot comply with the requirements of paragraph (2) and to report the attempted sale to law enforcement authorities;
- (4) Exempting public utilities from the requirements of section 445-233, Hawaii Revised Statutes (HRS);
- (5) Adding a penalty for a violation of either sections 445-232, 445-233, or for any person who falsifies a statement required by section 445-233, HRS. The penalty includes a fine of \$100 for the first offense, \$500 for the second offense, and \$1,000 and the suspension of the scrap dealer license for a period of six months for the third offense; and
- (6) Changing the effective date for the purpose of promoting further discussion.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Affordable Housing and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 230, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 230, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on behalf of the members of the Committees on Commerce, Consumer Protection, and Affordable Housing and Judiciary and Labor,

CLAYTON HEE, Chair

BRIAN T. TANIGUCHI, Chaið

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Commerce, Consumer Protection and Affordable Housing CPH

Bill / Resolution No.:* SB 230	COMMITTEE Referral:			Date: 2/27/7				
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
TANIGUCHI, Brian T. (C)								
IGE, David Y. (VC)		L			· /			
ESPERO, Will		· V		·				
IHARA, Jr., Les								
SAKAMOTO, Norman								
SLOM, Sam								
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TOTAL		454		**************************************				
Recommendation: Adopted Not Adopted								
Chair's or Designee's Signature: Sakemyfi								
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency								

^{*}Only one measure per Record of Votes

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Judiciary and Labor JDL

	CPH/JDL Date: 2/27/07							
The committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
HEE, Clayton (C)		<u> </u>						
KOKUBUN, Russell S. (VC)					· /			
INOUYE, Lorraine R.			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,					
NISHIHARA, Clarence K.		V						
GABBARD, Mike		<u> </u>			North Comment			
TOTAL	**************************************	4			l			
Recommendation: Adopted			Not Adopted					
Chair's or Designee's Signature: Clurence K Kushikara								
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency								