

BILL ANALYSIS

Senate Research Center
83R7157 MAW-F

H.B. 555
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Criminal Justice
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

A recent rash of regulated metals thefts in the Houston area has been very costly to local taxpayers. Thieves have targeted municipal water lift stations and water plants, stealing copper wire, piping, and other valuable metals. The damage has resulted in interrupted water supplies to businesses and neighborhoods, and can cost tens of thousands of dollars to repair. The criminals then sell the stolen metals to recycling facilities. Such facilities must adhere to a number of reporting requirements, including determining the source of the metal and reporting sales to counties or municipalities.

By denying metal thieves an easy buyer, much of the financial incentive to steal these expensive metals is eliminated. A major problem has been that many of the recycling facilities have failed to perform the required due diligence. After paying a minor fine, such recycling facilities simply return to the practice of accepting stolen property. This bill will provide to prosecutors the additional legal tools they need to effectively address thefts of expensive metals and equipment.

S.B. 694, 82nd Legislature, Regular Session, 2011, was passed to strengthen many issues identified from 2007 legislation with an emphasis on registration and reporting requirements for the hundreds of metal yards that operate in Texas. S.B. 694 and S.B. 1154, 80th Legislature, Regular Session, 2007, created criminal offenses for illegal and fraudulent activities by the seller and buyer of regulated metals, and the sales or purchase of known stolen goods, but the penalties for other offenses were not clearly defined.

H.B. 555 clarifies the acts of failing to register, operating a metal recycling entity without registering with the state, and failing to report purchases as Class A misdemeanor offenses.

H.B. 555 also puts in place a Class C misdemeanor for any offense where the sanctions are not defined in statute.

H.B. 555 amends current law relating to certain criminal offenses for violations of the law regulating metal recycling entities.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1956.040(a-2), Occupations Code, as follows:

(a-2) Provides that an offense under Subsection (a-1) (relating to providing that a person commits an offense if the person knowingly violates certain statutes relating to registration, reporting, and hours of operation) is a Class A misdemeanor, except that any fine imposed is prohibited from exceeding \$10,000. Provides that if it is shown on trial of an offense under Subsection (a-1) that the person has previously been convicted of a violation of that subsection, the offense is a state jail felony. Makes nonsubstantive changes.

SECTION 2. Amends Subchapter E, Chapter 1956, Occupations Code, by adding Section 1956.204, as follows:

Sec. 1956.204. GENERAL CRIMINAL PENALTY. (a) Provides that a person commits an offense if the person violates this chapter or a rule adopted under this chapter, including a rule, charter, or ordinance adopted, an order issued, or a standard imposed by a county, municipality, or political subdivision under Section 1956.003 (Local Law; Criminal Penalty).

(b) Provides that an offense under this section is a Class C misdemeanor.

(c) Authorizes the person, if conduct that constitutes an offense under this section also constitutes an offense under another section in this chapter, to be prosecuted only under that other section.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Effective date: September 1, 2013.