

Alaska State Legislature

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REPRESENTATIVE MIKE CHENAULT SPEAKER OF THE ALASKA STATE HOUSE

SPONSOR STATEMENT

COMMITTEE SUBSTITUTE for HOUSE BILL 305 (FIN): *“An Act relating to the records of metal scrappers; repealing the requirement that a junk dealer or metal scrapper obtain a license; and providing for an effective date.”*

HB 305 as originally introduced proposed to repeal a pre-statehood requirement for junk dealers and metal scrappers to obtain a state license. Research could not identify any licenses which were issued under the statute and therefore, it was felt the statute served no public purpose and should be repealed. Although the original intent of the legislation was to eliminate an unneeded law from the books, the process led to the identification of an area where Alaska state law was deficient and needed improvement.

The junk dealer statute was discovered during discussions by a working group of contractors, utilities and scrap metal dealers looking for ways to deter metal theft in Alaska. Due to the higher value of metals such as copper, metal theft has been increasing nationwide. However, Alaska remains as the only state without a law specifically targeting metal theft.

Thieves often target utilities, construction sites, and other locations with significant volumes of copper. In some cases, the value of the scrap metal stolen pales in comparison to the damage done by the thieves. For utilities, theft can result in life threatening situations, service outages for many customers, and be very costly to repair. For construction sites, significant costs and project delays can result from theft.

The main goal of metal theft laws is to provide law enforcement with additional tools to track down metal thieves as well as provide a deterrent to the crime by closing down avenues to sell stolen property. In many cases, other states have adopted very comprehensive laws, which are costly to implement as well as burdensome to business. This bill takes a different approach. Through the input of those impacted (utilities, contractors, law enforcement, and scrap metal dealers), this legislation implements those tools the working group felt would be most effective in a manner which add as little burden to business as possible.

Specifically, the bill adds new recording keeping requirements on the sale of scrap metal. Basic information includes date, time, location, and value of the metal as well as information about the seller including the name, address, driver's license number, and vehicle plate number. The legislation also requires the seller to sign a statement that the metal is not stolen.

Even the most expansive metal theft laws cannot eliminate the crime. However, by requiring some basic information about scrap metal transactions, law enforcement will have better tools to connect the stolen property with the thieves, increasing the success rate on investigations and prosecution of those thieves.