



Recycling and Sales, Since 1960

March 13, 2013

Chair Jeff Barker  
House Committee on Judiciary  
900 Court Street N  
Salem, OR 97310

Chair Barker and members of the committee, we are testifying today to support HB 2403 with the -3 amendments. This is a bill that encourages metal recycling. It includes four changes that make it easier for metal recyclers to pay customers without compromising the integrity of the current metal theft legislation.

The first change (page 1 line 18) allows for a transaction to be completed with a customer that does not have a telephone number.

The second change (page 1, lines 21-23 & page 2, line 35) allow for a metal recycler to mail payment to a post office box, if that post office box is listed on their government-issued photo identification. It is not uncommon in rural areas to have customers that do not have mail receptacles at their street address. Some receive mail at their post office box exclusively. The original intent of mailing payments was to give law enforcement a chance to "follow the money" if the material was suspicious. We addressed this issue with representatives of local sheriff offices and district attorneys to make sure this provision would not be a step backwards in the fight against metal theft. By requiring the post office box to be listed on their government-issued ID, they were comfortable with this change.

The third change (page 3, lines 1-17) deals with checks that are never delivered or are lost in the mail. Currently, there is a provision allowing metal recyclers to release a check directly to a customer, without re-mailing, if the check has been returned and marked as "undeliverable" as long as the metal recycler gets written permission from law enforcement. There is nothing to protect the customer if the mail does not deliver in a timely matter or the postal service loses the check. The safeguards in this provision include a waiting period of 10 days from the date of the transaction or purchase and the written permission from law enforcement. This simply gives metal recyclers a customer service option in a situation where the responsibility of completing a transaction is relinquished to a 3<sup>rd</sup> party (when a check is lost in the mail.)

The last change (page 3, lines 27-28) addresses the requirement to list those authorized to deliver metal property for commercial sellers and non-profit organizations. Some of our customers will come to our business to sell metal and request the payment be issued to a non-profit organization or another commercial seller. The law currently requires all commercial sellers and non-profits to provide "The full name of each employee, agent or other individual the commercial seller authorizes to deliver metal

property to the scrap metal business.” This requirement does not line up with the intent of the metal theft law and has the unintended consequence of making it more difficult to pay a commercial seller or non-profit. The current language opens the door for employees to receive payment for their employer’s material and makes scrap metal fundraising drives difficult for non-profit organizations.

The simple change from “deliver metal property” to “receive payment for metal property” would allow anyone to deliver metal and ensure payment sent to a commercial seller or non-profit. This is a change that will streamline the process for everyone involved and brings the language of the law in line with the spirit of law.

All four of these are straightforward policy changes—meaning they shouldn’t require any changes to recycling software, which can be very expensive, and the employee training time would be minimal.

In conclusion, these are small changes that encourage metal recycling for everyone and simplify the process for metal recyclers to be able to pay their customers, especially non-profit organizations. These changes are pro-business, pro-recycling and pro-community. We would urge you to pass HB2403 with the -3 amendments. Thank you for the opportunity to testify before you today. We would be happy to answer any questions you may have.

Jay Burcham  
President



Andrew Jones  
Purchasing & Sales Clerk

