

HB 4140 A STAFF MEASURE SUMMARY

Carrier: Rep. Wallan

House Committee On Judiciary**Action Date:** 02/16/26**Action:** Do pass with amendments. (Printed A-Eng.)**Vote:** 8-0-0-0**Yeas:** 8 - Andersen, Chaichi, Chotzen, Kropf, Lewis, Mannix, Tran, Wallan**Fiscal:** Has minimal fiscal impact**Revenue:** Has minimal revenue impact**Prepared By:** Tisha Pascone, LPRO Analyst**Meeting Dates:** 2/11, 2/16**WHAT THE MEASURE DOES:**

The measure expands the types of telecommunications entities whose property is subject to scrap metal laws. It adds telecommunications providers' copper and copper alloy wires and stripped metallic wires to the materials deemed "commercial metal property," which only a commercial seller or its agent may sell to a scrap metal business. The measure also adds documentation of ownership to the metal property record requirements for specified commercial metal property. It requires scrap metal sellers to subscribe to and use a free scrap metal theft alert system, as identified in Oregon Department of Justice rules, and it prohibits a scrap metal business from conducting transactions with individuals while out of compliance with those requirements.

ISSUES DISCUSSED:

- Provisions of the measure

EFFECT OF AMENDMENT:

The amendment removes provisions establishing a scrap metal seller registration system and the related crime for unregistered selling or trading.

Detailed Summary:

- Removes the frequency specification for scrap metal businesses' download of scrap metal alerts
- Adds telecommunications provider equipment and metallic wires with insulation removed to the definition of commercial metal property
- Requires documentation of ownership and identification to be part of the transaction record for the sale of certain commercial metal property

BACKGROUND:

Oregon Revised Statutes (ORS) 165.116 to ORS 165.127 regulate scrap metal businesses and the sale and theft of metal property. It is a Class A misdemeanor to commit the offense of unlawfully altering metal property, to make a false statement on a metal property record, or to unlawfully purchase or receive metal property. Metal property includes nonferrous metals, commercial metal property, and private metal property. "Nonferrous metals" include valuable metals such as copper, aluminum, brass, lead, zinc, and nickel, but exclude most jewelry. "Commercial metal property" includes fabricated items of parts made of metal alloys used in specified ways, such as utility meters, streetlights, guardrails, and agricultural, forestry, or logging equipment.

In 2021, Senate Bill 803 created specific restrictions on the purchase of catalytic converters and termed them "private metal property." Felons convicted of certain property crimes within the past five years may not sell nonferrous metal to scrap dealers, and payment for nonferrous metal purchases must be delayed by three business days to give theft victims and law enforcement time to get the word out to the scrap community about stolen material. Scrap metal dealers must create and maintain metal property records on customers and transactions.