



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: Sub. S.B. 193 of the 129th G.A. **Date:** March 14, 2012
Status: As Reported by Senate Insurance,
Commerce & Labor **Sponsor:** Sen. Seitz

Local Impact Statement Procedure Required: No

Contents: Modifies requirements that apply to scrap metal dealers and bulk merchandise container dealers

Local Fiscal Highlights

- The bill applies a range of penalties, from a third degree misdemeanor to a first degree misdemeanor, to dealers who fail to comply with the requirements of the bill. The applicable penalty depends on the number of times a scrap dealer or bulk merchandise container dealer has violated these requirements.
- There could be a small number of new cases involving dealers that violate the requirements in this bill. Any new costs that county and municipal jurisdictions incur will be offset to some degree by additional court costs, filing fees, and fines imposed on violators.

State Fiscal Highlights

- The state will receive a small share of court cost revenue from any penalties that are imposed as a result of the bill. The proceeds will be deposited into the Indigent Defense Support Fund (Fund 5DY0) and the Victims of Crime/Reparations Fund (Fund 4020).

Detailed Fiscal Analysis

The bill establishes requirements for the purchase or receipt of two types of items: (1) scrap metals, and (2) plastic or wooden bulk merchandise containers. Under current law, scrap metal dealers must maintain a record of scrap metal purchased or received. Specifically, the bill requires scrap metal dealers and bulk merchandise container dealers to take and keep as part of their sales records a photograph of each person selling or giving items to the dealer. For container dealers, the requirement only applies to those who receive more than four plastic bulk merchandise containers that are marked with a company name or logo, or more than nine wooden bulk merchandise containers from a person. The bill specifically prohibits either type of dealer from purchasing or receiving any articles from a person who refuses to allow their photograph to be taken. Finally, the bill specifies the length of time that dealers must retain records of these various transactions.

Overall, the requirements under the bill could lead to some small number of new prosecutions in local courts. This conclusion is based on some anecdotal feedback received from the Ohio Association of Chiefs of Police and several police departments concerning compliance with S.B. 171 of the 127th General Assembly, an act that imposed new requirements on scrap metal dealers in 2008. According to these sources, most of the local scrap metal dealers have been compliant with the requirements of S.B. 171. Under existing law that applies to scrap dealers currently and would encompass bulk merchandise container dealers under the bill, a first offense is a third degree misdemeanor, carrying a maximum fine of \$500 and up to 60 days in jail. A second offense raises the possible penalty to a second degree misdemeanor, and a third offense raises the possible penalty to a first degree misdemeanor, both of which carry the possibility of higher fines and longer jail stays. Any increase in costs related to prosecuting and adjudicating new cases could be at least somewhat offset through court cost and fine revenue. Fines would be deposited with the county in which the trial court is located. At the state level, the Indigent Defense Support Fund (Fund 5DY0) and the Victims of Crime/Reparations Fund (Fund 4020) would also receive a negligible amount of court cost revenue from any penalties imposed. For each misdemeanor, Fund 5DY0 receives \$20, while Fund 4020 receives \$9.