SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair 2025 - 2026 Regular Session

AB 476 (Mark González) - Metal theft

Version: July 16, 2025 **Policy Vote:** B., P. & E.D. 11 - 0, PUB. S.

6 - 0

Urgency: No Mandate: Yes

Hearing Date: August 18, 2025 **Consultant:** Janelle Miyashiro

Bill Summary: AB 476 establishes the crime of organized metal theft, expands prohibitions for junk dealers and recyclers to be in possession of various types of scrap metal previously owned by a public utility provider or public agency, expands additional record-keeping requirements for junk dealers and recyclers, and increases fines for individuals and organized metal theft crimes related to scrap metal theft.

Fiscal Impact:

- Unknown, potentially significant cost pressures to the state funded trial court system to adjudicate alleged violations of this measure (Trial Court Trust Fund, General Fund). The fiscal impact of this bill to the courts will depend on many unknowns, including the number of cases filed and the factors unique to each case. An eighthour court day costs approximately \$10,500 in staff in workload. If court days exceed 10, costs to the trial courts could reach hundreds of thousands of dollars. While the courts are not funded on a workload basis, an increase in workload could result in delayed court services and would put pressure on the General Fund to fund additional staff and resources and to increase the amount appropriated to backfill for trial court operations.
- Unknown, potentially significant costs (local funds) to the counties to incarcerate people for the crimes created by this bill. The average annual cost to incarcerate one person in county jail varies by county, but likely ranges from \$70,000 to \$90,000 per year. The average annual cost to incarcerate one person in county jail varies by county, but likely ranges from \$70,000 to \$90,000 per year. Actual incarceration costs to counties will depend on the number of convictions and the length of each sentence. Generally, county incarceration costs are not reimbursable state mandates pursuant to Proposition 30 (2012).
- The Department of Justice does not anticipate any significant costs.

Background: AB 844 (Berryhill, Chapter 731, Statutes of 2008) imposed additional recordkeeping requirements and payment restrictions on junk dealers and recyclers when purchasing nonferrous materials. Junk dealers and recyclers are required to follow strict guidelines regarding the retention of records, payment for materials, the photography or video of items being purchased, and the collection of identification and thumbprints of sellers, among others. Additionally, payment is restricted to a check mailed to the seller; a general use prepaid care, or a cash or check payment that can be collected by the seller three days after the date of sale. The payment restrictions are exempted for individuals redeeming nonferrous materials with a value less than \$20 in a

single transaction, when the primary purpose of the transaction is the redemption of beverage containers, or if the junk dealer and seller completed five or more transactions per month.

The rise of metal theft in the early 2000s led California to pass a number of laws aimed at curtailing metal theft. Included in those laws, were a number of requirements placed upon junk dealers and recyclers. These include paying additional fees when applying for a weighmasters license; requiring recyclers or junk dealers to register with ScrapTheftAlert.com or its successor agency, requiring junk dealers or recyclers collect certain information from sellers including thumb prints and photographs; requiring individuals selling certain nonferrous materials to provide proof of ownership when selling those items; and limiting payment for nonferrous materials to either cash or check after a three-day waiting period.

Proposed Law:

- Requires every junk dealer and recycler to additionally include the time of the transaction, the amount paid, and the name of the employee handling the transaction in the written record of all sales and purchases made on the course of their business.
 - Adds additional identifying information about the item to be included in the record, including the number of units, weight, etchings or markings, and serial numbers, as well as identifying information on a signed statement from the seller.
- Adds the following to the current list of prohibited items (fire hydrant or fire department connection, manhole cover, or backflow device) that a junk dealer or recycler may not possess:
 - Reasonably recognizable street lights, traffic signals, and their reasonably recognizable related equipment, including, but not limited to, all of the following:
 - Controller devices.
 - Light-emitting diode (LED) fixtures.
 - Ornamental or historical, modern, or pedestrian poles made of concrete, steel, brass, cast iron, or aluminum.
 - Solar street lighting components, such as solar panels, steel poles, and battery packs.
 - Colocation equipment.
 - Conductors, wiring, and cabling, including fiber optic cables.
 - Cameras.
 - Air quality sensors.
 - Digital banners and signs.
 - Pedestrian and cycling counters.
 - Active grade crossing signals.
 - Sewer flow monitoring station equipment.
 - Sewer pump station instrumentation and controls.
 - Stormwater auto sampling equipment and instrumentation.
 - Stormwater pump station instrumentation and controls.
 - Irrigation wiring.
 - o Plaques.

- Communications or broadband infrastructure or equipment.
- Electric vehicle chargers.
- Water meters and water meter components.
- Increases the range of penalties for a junk dealer or recycler, or employee thereof, who knowingly buys or receives specified nonferrous materials who knew or should have reasonably known the material belonged to a railroad, utility or a government entity, from \$1,000 to \$5,000 as specified.
- Makes any person who is engaged in the salvage, recycling, purchase or sale of metal and who possess any of the specified prohibited items above guilty of a crime, as specified, and increases the penalty fine from \$3,000 to \$5,000.
- Establishes the crime of organized metal theft, which is defined as the commission of specified acts, punishable as follows:
 - o If violations related to acting in concert or acting as an agent are committed on two or more separate occasions within a 12-month period, and if the aggregated value of the metal stolen, received, purchased, or possessed within that 12-month period exceeds \$950, the offense is punishable as a wobbler.
 - Any other violation relating to acting in concert or acting as an agent is punishable as an aggravated misdemeanor.
 - A violation related to other prohibited conduct (recruiting, coordinating, organizing, etc.) is punishable as a wobbler.
- Specifies the factors that may be considered when determining whether a defendant acted in concert with another person or persons, as specified.
- Make other technical and nonsubstantive changes.