SENATE RULES COMMITTEE

Office of Senate Floor Analyses

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THIRD READING

Bill No: AB 476

Author: Mark González (D), et al.

Amended: 8/29/25 in Senate

Vote: 21

SENATE BUS., PROF. & ECON. DEV. COMMITTEE: 11-0, 7/7/25 AYES: Ashby, Choi, Archuleta, Arreguín, Grayson, Menjivar, Niello, Smallwood-Cuevas, Strickland, Umberg, Weber Pierson

SENATE PUBLIC SAFETY COMMITTEE: 6-0, 7/15/25 AYES: Arreguín, Seyarto, Caballero, Gonzalez, Pérez, Wiener

ASSEMBLY FLOOR: 79-0, 6/3/25 - See last page for vote

SENATE APPROPRIATIONS COMMITTEE: 7-0, 8/29/25

AYES: Caballero, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

SUBJECT: Metal theft

SOURCE: The League of California Cities and Los Angeles Cleantech

Incubator

DIGEST: This bill expands prohibitions for junk dealers and recyclers to be in possession of various types of scrap metal; incorporates additional record-keeping requirements for junk dealers and recyclers and; increases fines for individuals and organized metal theft crimes related to scrap metal theft.

ANALYSIS:

Existing law:

1) Requires every junk dealer and every recycler to keep a written record of all sales and purchases made in the course of his or her business. (Business and Professions Code (BPC) § 21605)

- 2) Prohibits a junk dealer or a recycler from providing payment for nonferrous materials unless, in addition to record requirements, specified conditions are met. (BPC § 21608.5(a))
- 3) Authorize a peace officer who has probable cause to believe that property in the possession of a junk dealer or recycler is stolen to, in lieu of seizing the property, place a hold on the property for a period not to exceed 90 days, as specified. (BPC § 21609(a))

This bill:

- 1) Adds specified information to the record requirements to include the amount paid of each sale and the name of the employee handling the transaction, as well as additional identifying information about the item including the number of units, weight, etchings or markings, and serial numbers. Requires the statement indicating the seller of the junk is the owner to be signed and include the legal name, date of birth, and place of residence, including street number, street name, city, state and zip code of the seller.
- 2) Expands 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 to include a number of new items.
- 3) Makes any person who is engaged in the salvage, recycling, purchase or sale of metal and who possess prohibited items guilty of a crime, as specified, and increases the penalty fine from \$3,000 to \$5,000.
- 4) 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.
- 5) Makes other technical and clarifying changes.

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 issue of metal theft has been well documented over the last several years. Dozens of news stories recount extensive damage to public and private infrastructure and utilities, resulting in millions of dollars in repair and replacement costs, as well as power outages and disruptions to landline, internet, and emergency response services. In addition, consumer safety is at risk when streetlights do not work or other critical infrastructure is disrupted (like electrical vehicle charging stations). Copper, commonly found in telecommunication and utility wires, can be extracted and sold to junk dealers and recyclers. Recent thefts correspond with record-high prices for copper. However, the retail value of stolen copper is often a fraction of the cost to repair infrastructure damaged during the theft of such wires.

SB 1387 (Emmerson, Chapter 656, Statutes of 2012) specifically prohibited a junk dealer or recycler from possessing fire hydrants, manhole covers or backflow devices unless the junk dealer or recycler has a written certification on letterhead from that agency stating that the material can be sold, and the person selling the material has authorization from the agency. SB 1387 also established a criminal fine and penalty for unlawful possession of fire hydrants, manhole covers and backflow devices. At the time, SB 1387 was under consideration fire hydrants, copper, manhole covers, and backflow devices were increasingly being reported as stolen and sold, causing problems for local governments. Having to replace fire hydrant connections, and manhole covers when stolen is a burden on local government resources. As noted, earlier, since the passage of SB 1387, metal theft has continued to be a problem for local governments and others when important public infrastructure (such as streetlights, air quality sensors, cameras, sewer and irrigation wiring) are stolen and sold. Local governments and other entities are then responsible to replace them quickly, as these lead to consumer safety issues. These replacements are burdens to the local entities that must replace them (sewer districts, local governments, law enforcement, utilities, among others) at a cost to local tax and ratepayers. This bill will incorporate additional materials that a junk dealer or recycler will not be able to possess or purchase without specific authorization from the material owner. A sampling of prohibited items includes:

cameras, air quality sensors, sewer flow monitoring equipment, electric vehicle chargers, water meters and components, LED fixtures, and solar street lighting components, to name a few.

In addition to adding to the list of prohibited items/materials that a junk dealer or recycler is authorized to possess or purchase without a written authorization, this bill will create new penalties and fines for an individual or group who commits certain acts having one or more of the prohibited scrap metal items.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

According to the Senate Committee on Appropriations, the bill will result in unknown, potentially significant cost pressures to the state funded trial court system to adjudicate alleged violations of this measure. The bill will also result in unknown, potentially significant costs to counties to incarcerate people for the crimes created by this bill. The Department of Justice does not anticipate any significant costs.

SUPPORT: (Verified 8/29/25)

League of California Cities (co-source)

Los Angeles Cleantech Incubator (co-source)

Arcadia Police Officers' Association

Bay Area Council

Bellflower Somerset Mutual Water Company

Brea Police Association

City of Buena Park

Burbank Police Officers' Association

Burbank Redevelopment Agency;

Calbroadband

Calcom Association

California Association of School Police Chiefs

California Central Valley Flood Control Association

California Coalition of School Safety Professionals

California Contract Cities Association

California Legislative Conference of Plumbing, Heating & Piping Industry

California Municipal Utilities Association

California Narcotic Officers' Association

California Reserve Peace Officers Association

California Transit Association

Central City Association of Los Angeles

Charter Communications, INC.

City of Alameda

City of Buena Park

City of Culver City

City of Lakewood

City of La Habra

City of Lathrop

City of Los Alamitos

City of LA Mirada

City of Manteca

City of Milpitas

City of Norwalk

City of Oakland

City of Paramount

City of Redding

City of Sacramento, Department of Utilities

City of San Bernardino

City of San Jose

City of Thousand Oaks

City of Tustin

City of Vernon

City of Vista

City of Whittier

City of Willows

Claremont Police Officers Association

Comcast

Corona Police Officers Association

County of Fresno

CTIA

Culver City Police Officers' Association

Desert Water Agency

Downtown LA Industrial District Bid

El Dorado Irrigation District

Electric Vehicle Charging Association

Electrify America, LLC

Fresno County Board of Supervisors

Fullerton Police Officers' Association

Independent Energy Producers Association

Large-scale Solar Association

Los Angeles County District Attorney's Office

Los Angeles County Sanitation Districts

Los Angeles County Sheriff's Department

Los Angeles School Police Management Association

Los Angeles School Police Officers Association

Los Angeles Unified School District

Mayor Matt Mahan, City of San Jose

Murrieta Police Officers' Association

National Electrical Contractors Association

Newport Beach Police Association

Northern California Allied Trades

Office of Los Angeles Mayor Karen Bass

Pacific Gas and Electric Company and its Affiliated Entities

Palmdale Water District

Palos Verdes Police Officers Association

Peninsula Corridor Joint Powers Board

City of Placentia

Placer County Deputy Sheriffs' Association

Pomona Police Officers' Association

Puente Basin Water Agency

Recycled Materials Association - West Coast Chapter

Riverside Police Officers Association

Riverside Sheriffs' Association

Rowland Water District

San Francisco Bay Area Rapid Transit District

San Mateo County Transit District

San Mateo County Transportation Authority

Solid Waste Association of North America, CA Chapters Legislative Task Force

Southern California Glass Management Association

Southern California Public Power Authority

Southern California Regional Rail Authority

Sunline Transit Agency

United States Telecom Association

Valley Ag Water Coalition

Wall and Ceiling Alliance

Walnut Valley Water District

Western Line Constructors Chapter, Inc.

Western Painting and Coating Contractors Association

OPPOSITION: (Verified 8/29/25)

ACLU California Action California Public Defenders Association Californians United for a Responsible Budget LA Defensa

ARGUMENTS IN SUPPORT: A broad coalition of supporters note generally that this bill will enhance tools to deter metal theft by requiring more stringent reporting requirements on junk dealers and recyclers, adding additional materials that are prohibited to be purchased or acquired by a junk dealer or recycler and increasing penalties for individuals who engage in metal theft.

ARGUMENTS IN OPPOSITION: Opponents noted concerns with a prior version of this bill, which would have established a new crime related to "organized metal theft."

ASSEMBLY FLOOR: 79-0, 6/3/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

Prepared by: Elissa Silva / B., P. & E.D. / 916-651-4104 9/2/25 17:59:50

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