



EVANS & ASSOCIATES

Sims Metal

Position: Unfavorable

Bill: SB 782 – Telecommunications Infrastructure – Protections

Committee: Senate Finance Committee

Dear Chair Beidle and Members of the Senate Finance Committee:

Sims Metal respectfully submits this testimony in opposition to Senate Bill 782. Sims Metal is a global leader in metal recycling, with seven locations in Maryland employing over 150 people. Our facilities operate under comprehensive state and federal regulatory frameworks governing transaction documentation, materials verification, and cooperation with law enforcement. We remove over 24 million pounds of nonferrous and 200 thousand tons of ferrous from the waste stream for recycling.

Sims Metal supports effective efforts to deter theft and protect critical telecommunications infrastructure. SB 782 would impose requirements on recycling businesses that are overly broad, operationally burdensome, and duplicative of existing safeguards. The bill's transaction registration mandate with local law enforcement, restrictive payment requirements, and mandatory holding period for telecommunications equipment would create significant logistical challenges for high-volume recycling facilities without clear evidence of corresponding enforcement benefit.

The requirement that purchases be conducted exclusively through mailed checks would disrupt established commercial payment practices and introduce inefficiencies for both recyclers and legitimate sellers. Additionally, existing Maryland scrap transaction recordkeeping requirements already provide law enforcement with access to transaction data and support traceability of materials entering the recycling stream.

Sims Metal is further concerned that the bill's definition of telecommunications equipment may capture common recyclable materials lacking clear indicia of ownership or operational use, creating compliance ambiguity and potential exposure for recyclers operating in good faith under existing due diligence protocols.

Maryland's recycling industry plays a critical role in advancing sustainability objectives, supporting domestic supply chains, and reducing landfill waste. Policy approaches addressing infrastructure theft should be narrowly tailored and avoid unintended impacts on regulated recyclers that are partners in prevention and enforcement efforts.

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For these reasons, Sims Metal respectfully requests an unfavorable report on SB 782. We remain committed to working with the sponsor and stakeholders to identify targeted solutions that address telecommunications infrastructure theft while preserving efficient recycling operations in Maryland.

Thank you for your consideration.
Sincerely,

Sims Metal

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