

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011
4

A Bill

HOUSE BILL 2119

5 By: Representative Hammer
6

For An Act To Be Entitled

8 AN ACT REGARDING SCRAP METAL DEALERS AND SALES; AND
9 FOR OTHER PURPOSES.
10

Subtitle

11 REGARDING SCRAP METAL DEALERS AND SALES.
12

13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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16 SECTION 1. Arkansas Code § 17-44-101, concerning definitions, is
17 amended to add a new subdivision to read as follows:

18 (6) "Restricted scrap metal" means including without limitation the
19 following:
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21 (A)(i) Property owned by:

22 (a) A telephone company;

23 (b) A cable company;

24 (c) An electric company;

25 (d) A water company;

26 (e) A public utility;

27 (f) A railroad; and

28 (g) A brewer; and

29 (ii) Marked or identified by:

30 (a) Utility access covers;

31 (b) Street light poles and fixtures;

32 (c) Road and bridge rail guards;

33 (d) Highway or street signs;

34 (e) Water meter covers or backflow regulators;

35 (f) Metal beer kegs including those made of
36



1 stainless steel that are clearly marked as being the property of a beer
 2 manufacturer;

3 (g) Traffic directional and control signs;

4 (h) Traffic light signals;

5 (i) Any scrap metal marked with the name of a
 6 governmental entity;

7 (j) Aluminum wire or siding;

8 (k) Historical markers, grave markers, or
 9 burial vases;

10 (l) Scrap metal that has been burned, melted,
 11 or smelted;

12 (m) Air conditioning unit parts;

13 (n) Any scrap metal that has been brightly
 14 painted or marked to deter theft of the scrap metal; and

15 (o) Copper pipes, tubing, wires, or gutters.

16 ~~(6)-(7)~~ “Scrap metal” means bits and pieces of metal parts that
 17 may be combined together with bolts or soldering and can be recycled when
 18 worn or superfluous;

19 ~~(7)-(8)~~ “Scrap metal processor” means a person that, from a fixed
 20 location, engages in the business of using machinery or equipment for the
 21 processing or manufacturing of iron, steel, or nonferrous metal scrap;

22 ~~(8)-(A)-(9)(A)~~ “Scrap metal recycler” means any person that
 23 purchases scrap metal.

24 (B) “Scrap metal recycler” does not include a person that
 25 only buys in quantities of five thousand pounds (5,000 lbs.) or more; and

26 ~~(9)-(A)-(10)(A)~~ “Seller” means any person that receives in a
 27 transaction monetary consideration from a scrap metal recycler in exchange
 28 for nonferrous metal, iron, or steel, including without limitation copper,
 29 brass, aluminum, bronze, lead, zinc, nickel, and their alloys.

30 (B) “Seller” does not include a person that sells scrap
 31 metal generated in a manufacturing or production process and sold to a scrap
 32 metal recycler under a contract or an agreement.

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 34 SECTION 2. Arkansas Code § 17-44-102(a), regarding the records
 35 required by scrap metal dealers, is amended to read as follows:

36 (a)(1) Each scrap metal recycler doing business in the State of

1 Arkansas shall maintain an accurate and legible record of each scrap metal
 2 purchase transaction.

3 ~~(2) Individual records shall not be required for a series of~~
 4 ~~scrap metal purchase transactions made under a contract.~~

5 ~~(3)~~ The data required under subdivision (b)(1) of this section
 6 may be maintained for repeat sellers in a relational database allowing the
 7 scrap metal recycler to record the information one (1) time and relate future
 8 purchase records to that information.

9 ~~(4)~~(3) A municipality or county may require by ordinance
 10 electronic or digital records and reporting methods.

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 12 SECTION 3. Arkansas Code § 17-44-102(b)(10), regarding records kept by
 13 scrap metal dealers, is amended to read as follows:

14 (10)(A) A clearly identifiable, date-and-time-stamped digital
 15 photograph of the:

16 ~~(A)(i)~~ Seller; ~~and~~

17 ~~(B)(ii)~~ Scrap metal in the form in which it was
 18 purchased; ~~and~~

19 ~~(C)(iii)~~ The name of the person taking the
 20 photographs under this subdivision ~~(b)(10)(A) of this section~~ shall be
 21 recorded and provided with the photographs.

22 (B) In lieu of a photograph of the seller, the seller may
 23 instead provide an imprint of his or her fingerprint.

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 25 SECTION 4. Arkansas Code § 17-44-102(e), regarding what a seller of
 26 scrap metal must provide to a seller or purchaser, is amended to read as
 27 follows:

28 (e) A seller shall provide the following to a purchaser:

29 (1) A copy of a valid driver's license, military identification
 30 card, passport, or other form of government-issued photo identification;

31 (2) A valid, verifiable, and signed statement provided by the
 32 seller that the seller is the owner or is otherwise authorized to sell the
 33 scrap metal; ~~and~~

34 (3) The name, address, phone number, and vehicle tag of the
 35 seller; and

36 ~~(3)~~(4) A general description of where and how the seller

1 acquired the scrap metal.

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3 SECTION 5. Arkansas Code § 17-44-102(g), regarding records required
4 during the selling of scrap metal, is amended to read as follows:

5 (g) This section shall not apply to transactions:

6 (1) In which a scrap metal processor purchases, transfers, or
7 otherwise conveys scrap metal to another scrap metal processor if the
8 purchaser or transferee obtained a bill of sale or similar document at the
9 time of transfer and the value of the transaction is greater than five
10 thousand dollars (\$5,000);

11 (2) Involving only beverage or food containers; or

12 (3) Involving only ferrous metals.

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14 SECTION 6. Arkansas Code § 17-44-103(a), regarding the restrictions on
15 the purchase of certain items, is amended to read as follows:

16 (a) A seller shall not sell and a scrap metal recycler shall not
17 purchase ~~the following restricted~~ scrap metal unless ~~reasonable, written~~
18 ~~documentation is provided that the seller is the owner of the scrap metal or~~
19 ~~is an employee, agent, or other person authorized to sell the scrap metal on~~
20 ~~behalf of the owner:~~

21 ~~(1) Scrap metal marked with the initials of an electrical~~
22 ~~company, a telephone company, a cable company, another public utility, or a~~
23 ~~brewer;~~

24 ~~(2) Utility access covers;~~

25 ~~(3) Street light poles and fixtures;~~

26 ~~(4) Road and bridge guard rails;~~

27 ~~(5) Highway or street signs;~~

28 ~~(6) Water meter covers;~~

29 ~~(7) Metal beer kegs including those made of stainless steel that~~
30 ~~are clearly marked as being the property of the beer manufacturer;~~

31 ~~(8) Traffic directional and control signs;~~

32 ~~(9) Traffic light signals;~~

33 ~~(10) Any scrap metal marked with the name of a government~~
34 ~~entity;~~

35 ~~(11) Property owned by a telephone company, a cable company, an~~
36 ~~electric company, a water company, or another utility or by a railroad and~~

1 ~~marked or otherwise identified as such;~~

2 ~~(12) Unused and undamaged building construction or utility~~
 3 ~~materials consisting of copper, pipe, tubing or wiring, or aluminum wire,~~
 4 ~~historical markers, or grave markers and vases;~~

5 ~~(13) Catalytic converters that are not part of an entire motor~~
 6 ~~vehicle;~~

7 ~~(14) Scrap metal that has been smelted, burned, or melted;~~

8 ~~(15) Air conditioning parts unless:~~

9 ~~(A) The parts are being sold by a contractor, plumber, or~~
 10 ~~electrician;~~

11 ~~(B) A current and valid HVAC license is provided at the~~
 12 ~~time of the sale; and~~

13 ~~(C) A copy of the HVAC license number is recorded by the~~
 14 ~~purchaser of the scrap metal; and~~

15 ~~(16) Any scrap metal that has been brightly painted or marked to~~
 16 ~~deter theft of the scrap metal.~~

17 (1) The seller is a licensed contractor, subcontractor, plumber,
 18 or electrician;

19 (2) The scrap metal recycler follows all requirements of § 17-
 20 44-102;

21 (3) The seller presents and the scrap metal recycler records the
 22 seller's valid and current HVAC, contractor's, plumber's, or electrician's
 23 license number; and

24 (4) The seller provides reasonable, valid, and verifiable
 25 documentation that the seller is the owner of the scrap metal or is an
 26 employee, agent, or other person authorized to sell the scrap metal on behalf
 27 of the owner, and the seller provides written authorization from the actual
 28 owner, including a phone number, clearly authorizing the sale of the
 29 restricted scrap metal by the seller.

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 31 SECTION 7. Arkansas Code § 17-44-103(c), regarding scrap metal
 32 transactions, is amended to read as follows:

33 (c) This section does not apply to transactions in which a scrap metal
 34 processor purchases, transfers, or otherwise conveys scrap metal with a value
 35 of at least five thousand dollars (\$5,000) to another scrap metal processor.

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1 SECTION 8. Arkansas Code § 17-44-106 is amended to add a new
2 subsection to read as follows:

3 (c) A person who commits a second or subsequent violation of this
4 subchapter with five (5) years of a previous conviction under this subchapter
5 upon conviction is guilty of a Class C felony.

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