



UTAH STATE SENATE

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January 26, 2007

Mr. President:

The Business and Labor Committee reports a favorable recommendation on **S.B. 44**, SCRAP METAL TRANSACTIONS, by Senator J. Greiner, with the following amendments:

1. *Page 1, Line 20:*

20 {~~three years~~} not less than one year ;
requires that sellers provide a fingerprint;

2. *Page 1, Line 26:*

26 ▶ {~~requires that dealers hold regulated metals for three days and~~} allows
a law

3. *Page 2, Line 29:*

provides an exemption for businesses with established accounts who maintain
specified records with the dealer;
29 ▶ provides that violation of these requirements by the dealer or the seller is a class
{~~B~~} (C)

4. *Page 2, Line 49:*

49 {~~76-10-910.2, Utah Code Annotated 1953~~}

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5. Page 3, Lines 81 through 82:

81 (7) (a) "Regulated metal" means any item composed { in whole or in part of any
ferrous
82 or } primarily of nonferrous metal, except as provided in Subsection (7)(c).

6. Page 3, Lines 86 through 89:

86 (ii) { metals and alloys that include materials and equipment commonly used
in
87 construction, agricultural operations, and electrical power generation } property
owned by, and also identified by marking or other means as the property of:
(A) a telephone, cable, electric, water, or other utility; or
(B) a railroad company ;
88 (iii) { railroad equipment } unused and undamaged building construction
materials made of metal or allow, including:
(A) copper pipe, tubing, or wiring; and
(B) aluminum wire, siding, downspouts, or gutters ;
89 (iv) oil well rigs; { and }

7. Page 4, Line 90:

90 (v) nonferrous materials, stainless steel, and nickel ; and
(vi) irrigation pipe ;

8. Page 4, Lines 92 through 93:

92 (i) { scrap iron } ferrous metal, except as provided in Subsections (7)(b)(ii)
or (iv) ;
93 (ii) household generated { waste } recyclable materials ;

9. Page 4, Lines 114 through 116:

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- 114 (h) ~~{inconel, monel, and hast alloy}~~ nickel and nickel alloys containing
greater than 50% nickel ; and
- 115 (i) #1 and #2 copper as defined by the most recent institute of Scrap Recycling
- 116 Industries, Inc., Scrap Specifications Circular and unused and undamaged building
materials, including:
(A) greenline copper;
(B) copper pipe, tubing, or wiring; or
(C) aluminum wire, siding, downspouts, or gutters. .

10. Page 5, Line 128:

- 128 metallic description [if scrap metal] , in accordance with scrap metal recycling
industry standards ;

11. Page 5, Line 136:

- 136 (f) the type and number of the identification provided in Subsection
- (2) ~~{(a)}~~ (g) [?];

12. Page 5, Line 142:

- 142 sell the scrap metal or junk[?]; ~~{and}~~

13. Page 5, Line 144:

- 144 clearly legible photocopy of the seller's identification ; and
(j) a legible fingerprint of the seller's right thumb, or if the right thumb cannot be
fingerprinted, a legible fingerprint of the seller with a written notation identifying the
fingerprint and the reason why the thumb print was unavailable .

14. Page 5, Line 146:

- 146 (4) The [receipt book] log and entries shall ~~{at all times}~~ be open to inspection

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by the

15. Page 5, Line 148:

148 ~~metal processor]~~ does business during regular business hours :

16. Page 6, Lines 159 through 160:

159 (6) Log entries made under this section shall be maintained for not less than three
years

160 from date of entry.

(7) The information required by Subsection (2) may be maintained for repeat sellers who use the same vehicle to bring regulated metal for each transaction in a relational database that allows the dealer enter an initial record of the seller's information and then relate subsequent transaction records to that initial information.

(8) This section does not apply to a single purchase of regulated metal by a dealer if:
(a) the weight of regulated metal is less than 50 pounds; or
(b) the price paid to the seller is less than \$100.

17. Page 6, Lines 178 through 180:

178 between the hours of ~~{7 a.m.}~~ 6 a.m. and 7 p.m.

179 (2) {A} Except when the dealer pays a government entity by check for regulated metal, the dealer may not purchase any of the following regulated metal
without obtaining

180 and keeping on file ~~{written proof}~~ reasonable documentation that the seller is
an employee, agent, or contractor of a

18. Page 7, Line 195:

195 file for not less than ~~{three years}~~ one year .

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19. Page 7, Lines 198 through 199:

198 (a) the business holds a valid business license; and
199 ~~{(b)}~~ (i)(A) the dealer has on file a statement from the business identifying
those employees

20. Page 7, Line 201:

201 ~~{(c)}~~ (B) the dealer conducts regulated metal transactions only with those
identified

21. Page 7, Line 203:

203 transaction ; or
(ii) the dealer has on file reasonable documentation from the business that any person
verified as representing the business as an employee, and whom the dealer has
verified is an employee, may sell regulated metal; or
(iii) the dealer makes payment for regulated metal purchased from a person by
issuing a check to the business employing the seller.

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22. Page 7, Line 211:

211 provisions of this part is guilty of a class ~~{B}~~ (C) misdemeanor~~;~~ provided that
this part shall not be

23. Page 8, Lines 222 through 243:

222 ~~{Section 10. Section 76-10-910.2 is enacted to read:~~
223 ~~76-10-910.2.}~~ ~~{Seventy-two hour hold on regulated metal -- Management~~
of
224 ~~regulated metal -- Exceptions:~~
225 ~~(1) Except as provided in Subsection (3), a dealer shall retain possession of~~

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purchased
226 regulated metal at the dealer's place of business where the regulated metal was
purchased and
227 withhold the regulated metal from alteration, processing, resale, or salvage use for 72
hours
228 after purchase, unless the property is released earlier by written order of the local
law
229 enforcement agency or by order of a court of competent jurisdiction:
230 — (2) (a) Except as provided in Subsection (2)(b), a dealer shall segregate all
regulated
231 metal purchased from a seller from regulated metal property purchased from other
sellers and
232 shall attach to the regulated metal, or to the container in which the regulated metal is
held, a
233 label indicating the name of the seller, the date on which the regulated metal was
purchased,
234 and the number of the receipt on which the purchase information is recorded:
235 — (b) If in any single purchase transaction there are multiple items of regulated
metal of
236 the same general type, only one representative item from each type of regulated metal
must be
237 segregated and labeled in accordance with this Subsection (2):
238 — (3) The hold, segregation, and labeling requirements of Subsections (1) and (2)
do not
239 apply to any item of regulated metal composed solely of ferrous metal material,
unless the
240 dealer has received a hold notice from the local law enforcement agency:
241 — (4) While in possession of purchased regulated metal, a dealer shall make the
metal
242 available for inspection by any law enforcement agency at the dealer's place of
business during
243 regular business hours of the dealer. }

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Respectfully,

Kevin T. VanTassell
Committee Chair

Voting: 6-1-0

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