

**MINUTES OF THE SENATE BUSINESS & LABOR  
STANDING COMMITTEE  
FRIDAY, JANUARY 26, 2007, 8:00 A.M.  
ROOM W015, WEST OFFICE BUILDING  
STATE CAPITOL COMPLEX**

Members Present: Sen. Kevin VanTassell, Chair  
Sen. Dan Eastman  
Sen. Bill Hickman  
Sen. Wayne Niederhauser  
Sen. Carlene Walker  
Sen. Gene Davis  
Sen. Ed Mayne

Staff Present: Allison Nicholson, Policy Analyst  
Karen Allred, Committee Secretary

Public Speakers Present: Reed Richards, Utah Sheriffs' Association  
Larry Bunkall, Government and Public Relations, Kennecott Utah  
Copper  
Dave Edmunds, Sheriff, Summit County Sheriff's Office  
David Steigerwald, Vice President, Western Metals Recycling  
James Tracy, Sheriff, Utah County Sheriff's Office  
Mark Lewon, Vice President, Operations, Utah Metal Works, Inc.  
Dennis Meservy, Bureau Manager, Division of Occupational and  
Professional Licensing

A list of visitors and a copy of handouts are filed with the committee minutes.

Chair VanTassell called the meeting to order at 8:05 a.m.

**Approval of Minutes**

**MOTION:** Sen. Hickman moved to approve the minutes of the January 23, 2007 meeting.

The motion passed unanimously with Sens. Eastman, Walker, Davis, and Mayne absent for the vote.

**1. S.B. 44 Scrap Metal Transactions (J. Greiner)**

Sen. Greiner introduced the bill and the following amendments were distributed:

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~~}

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:

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 }~~ 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  
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 .

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.

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 regulated metal -- Exceptions:  
224    regulated metal -- Exceptions:  
225    ~~—(1) Except as provided in Subsection (3), a dealer shall retain possession of~~  
226    purchased 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~~  
230    regulated

- 231 ~~metal purchased from a seller from regulated metal property purchased from other~~  
232 ~~sellers and~~  
233 ~~shall attach to the regulated metal, or to the container in which the regulated metal is~~  
234 ~~held, a~~  
235 ~~label indicating the name of the seller, the date on which the regulated metal was~~  
236 ~~purchased,~~  
237 ~~and the number of the receipt on which the purchase information is recorded.~~  
238 ~~— (b) If in any single purchase transaction there are multiple items of regulated~~  
239 ~~metal of~~  
240 ~~the same general type, only one representative item from each type of regulated metal~~  
241 ~~must be~~  
242 ~~segregated and labeled in accordance with this Subsection (2).~~  
243 ~~— (3) The hold, segregation, and labeling requirements of Subsections (1) and (2)~~  
244 ~~do not~~  
245 ~~apply to any item of regulated metal composed solely of ferrous metal material;~~  
246 ~~unless the~~  
247 ~~dealer has received a hold notice from the local law enforcement agency.~~  
248 ~~— (4) While in possession of purchased regulated metal, a dealer shall make the~~  
249 ~~metal~~  
250 ~~available for inspection by any law enforcement agency at the dealer's place of~~  
251 ~~business during~~  
252 ~~regular business hours of the dealer. }~~

**MOTION:** Sen. Walker moved to adopt the amendments.

The motion passed unanimously with Sens. Eastman, Davis and Mayne absent for the vote.

Reed Richards, Utah Sheriffs' Association; Dave Edmunds, Sheriff, Summit County Sheriff's Office; and James Tracy, Sheriff, Utah County Sheriff's Office; spoke in support of the bill.

Larry Bunkall, Government and Public Relations, Kennecott Utah Copper, spoke to the bill and for the reinstatement of line 115 of the amended bill.

David Steigerwald, Vice President, Western Metals Recycling, spoke to the bill.

Mark Lewon, Vice President, Operations, Utah Metal Works, Inc., spoke in opposition to the bill.

**MOTION:** Sen. Mayne moved to reinstate line 115 of the bill, which was deleted in the amendment, and insert the word "and" after the word "Circular."

The motion passed unanimously.

**MOTION:** Sen. Walker moved to pass the bill out favorably as amended.

The motion passed with Sen. Hickman voting in opposition.

2. **S.B. 91 Uniform Commercial Code - General Provisions** (*L. Hillyard*)

Sen. Hillyard introduced the bill.

**MOTION:** Sen. Hickman moved to hold the bill and move onto the next item on the agenda, and place it first on the next agenda.

The motion passed unanimously.

3. **S.B. 99 Revised Business Corporations Act Amendments** (*L. Hillyard*)

Sen. Hillyard introduced the bill.

**MOTION:** Sen. Eastman moved to pass the bill out favorably.

The motion passed unanimously.

**MOTION:** Sen. Eastman moved that the bill be placed on the Consent Calendar.

The motion passed unanimously.

4. **S.B. 147 Exemptions from Licensure Modifications** (*M. Dmitrich*)

Sen. Dmitrich introduced the bill and answered questions from the committee.

Dennis Meservy, Bureau Manager, Division of Occupational and Professional Licensing, further clarified the bill.

**MOTION:** Sen. Mayne moved to pass the bill out favorably.

The motion passed unanimously.

**5. H.B. 55 Deceptive Trade Practices Amendments** (*S. Clark*)

Rep. Clark introduced the bill.

**MOTION:** Sen. Eastman moved to pass the bill out favorably.

The motion passed unanimously.

**MOTION:** Sen. Davis moved to adjourn.

The motion passed unanimously at 9:05 a.m.

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Sen. Kevin VanTassell, Committee Chair