

Senate File 78 - Introduced

SENATE FILE _____
BY NOBLE

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to scrap metal transactions, prohibiting certain
2 sales, and imposing criminal penalties.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 1170SS 83
5 tm/nh/5

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1 1 Section 1. NEW SECTION. 80.43 SCRAP METAL TRANSACTIONS
1 2 AND REPORTING == PENALTIES.
1 3 1. For purposes of this section, and unless the context
1 4 otherwise requires, the following definitions shall apply:
1 5 a. "Scrap metal" means any metal suitable for
1 6 reprocessing.
1 7 b. "Scrap metal dealer" means any person operating a
1 8 business at a fixed location that is engaged in one of the
1 9 following activities:
1 10 (1) Buying, selling, procuring, collecting, gathering,
1 11 soliciting, or dealing in scrap metal.
1 12 (2) Operating, managing, or maintaining a scrap metal
1 13 yard.
1 14 c. "Scrap metal yard" means any yard, plot, space,
1 15 enclosure, building, or other place where scrap metal is
1 16 collected, gathered together, stored, or kept for shipment,
1 17 sale, or transfer.
1 18 2. a. A person shall not sell scrap metal to a scrap
1 19 metal dealer in this state unless the person provides to the
1 20 scrap metal dealer, at or before the time of sale, the
1 21 person's name, address, and place of business, if any, and
1 22 presents to the scrap metal dealer a valid driver's license or
1 23 nonoperator's identification card.
1 24 b. A scrap metal dealer shall not purchase scrap metal
1 25 without demanding and receiving the information required by
1 26 this subsection.
1 27 3. A scrap metal dealer shall keep a register or log of
1 28 each transaction, including a record of the information
1 29 required by subsection 2, a description of the item purchased,
1 30 the price paid for the item, and a copy of the driver's
1 31 license or nonoperator's identification card required pursuant
1 32 to subsection 2. All records and information kept pursuant to
1 33 this subsection shall be retained for at least two years, and
1 34 a copy or computer printout of the information shall be
1 35 furnished to a law enforcement agency upon request.
2 1 4. a. A scrap metal dealer shall not provide payment to a
2 2 person selling scrap metal at the time of the transaction if
2 3 the transaction is for copper or aluminum wire with a diameter
2 4 of at least three-eighths of an inch or the value of the
2 5 transaction is more than three hundred dollars. Payment shall
2 6 instead be made by check or money order mailed to the person's
2 7 permanent home or business address as provided to the scrap
2 8 metal dealer pursuant to subsection 2.
2 9 b. A scrap metal dealer mailing payment for a transaction
2 10 pursuant to this subsection shall maintain a log of such
2 11 transactions. All records and information kept pursuant to
2 12 this subsection shall be retained for at least two years.
2 13 5. The following scrap metal transactions are exempt from
2 14 the requirements of this section:
2 15 a. Transactions in which the total sale price is fifty
2 16 dollars or less, except transactions for the sale of catalytic
2 17 converters.
2 18 b. Transactions for the sale of catalytic converters in

2 19 which the total sale price is thirty dollars or less.
2 20 c. Transactions in which a scrap metal dealer is selling
2 21 scrap metal.
2 22 d. Transactions in which the person selling the scrap
2 23 metal is known to the scrap metal dealer purchasing the scrap
2 24 metal to be the officer, employee, or agent of an established
2 25 business, operating from a fixed location, that may reasonably
2 26 be expected to produce scrap metal during the operation of the
2 27 business.
2 28 6. A person who violates this section is guilty of a
2 29 simple misdemeanor. However, a person who violates this
2 30 section three or more times within a two-year period is guilty
2 31 of a serious misdemeanor.

2 32 EXPLANATION

2 33 This bill relates to scrap metal sales.

2 34 The bill prohibits persons from selling scrap metal to a
2 35 scrap metal dealer without providing identification and
3 1 certain information such as a permanent address.

3 2 The bill prevents scrap metal dealers from making on the
3 3 spot payment to persons selling scrap metal if the transaction
3 4 is for more than \$300 or if it is for copper or aluminum wire
3 5 three-eighths of an inch or more in size. The bill provides
3 6 certain recordkeeping requirements for such transactions.

3 7 The bill exempts certain transactions of small dollar
3 8 amounts and transactions in which the person selling the scrap
3 9 metal is a scrap metal dealer or in which the person selling
3 10 is known to the scrap metal dealer as an established business
3 11 that generates scrap metal.

3 12 The bill requires scrap metal dealers to keep records of
3 13 transactions for at least two years and to provide that
3 14 information to law enforcement agencies upon request.

3 15 The bill imposes criminal penalties for violations. A
3 16 person who violates the Code chapter is guilty of a simple
3 17 misdemeanor, and a person who does so three or more times in a
3 18 two-year period is guilty of a serious misdemeanor.

3 19 A simple misdemeanor is punishable by confinement for no
3 20 more than 30 days or a fine of at least \$65 but not more than
3 21 \$625 or by both.

3 22 A serious misdemeanor is punishable by confinement for no
3 23 more than one year and a fine of at least \$315 but not more
3 24 than \$1,875.

3 25 LSB 1170SS 83

3 26 tm/nh/5.2