

HOUSE No. 01021

The Commonwealth of Massachusetts

PRESENTED BY:

Vincent A. Pedone

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act regulating secondary metals dealings.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Vincent A. Pedone</i>	<i>15th Worcester</i>
<i>Lori A. Ehrlich</i>	<i>8th Essex</i>
<i>Michael A. Costello</i>	<i>1st Essex</i>

HOUSE No. 01021

By Mr. Vincent A. Pedone of Worcester, petition (accompanied by bill, House, No. 01021) of Lori A. Ehrlich and others relative to the licensing of scrap metal dealers. Joint Committee on Consumer Protection and Professional Licensure.

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act regulating secondary metals dealings.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. The General Laws are hereby amended by inserting after chapter 140B, the
2 following chapter:-

3 CHAPTER 140B½ SECONDARY METAL DEALING

4 For the purposes of this chapter, the following terms shall have the following meanings unless
5 the context clearly requires otherwise:

6 “Engaging in a business”, a regular occupation or constant employment; not an isolated or
7 occasional transaction.

8 “Licensing authority”, the chief of police or the board or officer having control of the police in a
9 city or town, or persons authorized by them.

10 “Metal” or “metal article”, any substance or article consisting of metal or a metal alloy but
11 excluding aluminum beverage containers if such containers have a refund value pursuant to
12 section 322 of chapter 94.

13 “Secondary metals dealer”, any business, individual, corporation, association or organization
14 engaged in secondary metals dealing for profit, whether or not licensed pursuant to section 2.

15 “Secondary metals dealing”, engaging in a business , from a fixed location or otherwise, of
16 gathering or obtaining metal or metal articles that are no longer in use and the economic value
17 thereof is based upon the metal or article’s potential for re-use or upon the worth of the raw
18 material of which such article is made.

19 Section 2. (a) In accordance with Section 4 of Chapter 140 of the General Laws, no person shall
20 carry on the business of being a scrap metal processor, collector of, dealer in or keeper of a shop
21 for the purchase, sale, and barter of junk, scrap metal commodities, old metals or second hand
22 articles without a license issued by the licensing authority.

23 (b) All applications for licenses under this section shall be made on a form or forms to be
24 prescribed by the licensing authority, as prescribed in Section 1 of this Act and shall set forth the
25 name of the licensee, the nature of the business and the building or place in the city or town in
26 which it is to be carried on.

27 (c) The fee for such license shall be determined by the licensing authority. Societies, associations
28 or corporations organized solely for religious or charitable purposes shall not be required to pay
29 a fee for such license. No licenses shall be transferred without prior consent of the chief of police
30 and all licenses shall be posted on the licensed premises in a conspicuous place and manner.

31 (d) Every license issued under this section shall expire on May first following the date of issue.

32 (e) The licensing authority may grant an exemption to any one or more of the requirements in
33 sub-section (c) for a particular transaction. A request for an exemption must be made by the
34 licensee in writing to the licensing authority stating the reason for the request. The licensing
35 authority shall approve or disapprove the request and send written notification of the decision to
36 the licensee. The licensing authority, in his/her discretion may impose any terms, conditions,
37 restrictions on any exemption granted under this section.

38 (f) Any person carrying on the business of being a collector of, dealer in or keeper of a shop for
39 the purchase, sale, barter of junk, old metals or second hand articles without a license or in
40 violation of this section shall be assessed a fine in the amount established by the Secretary of
41 Public Safety.

42 Section 3. Chapter 140 of the General Laws is hereby amended by inserting after section 54A the
43 following new section:- Section 54B. A dealer licensed under section 54 shall comply with the
44 following procedures when purchasing any metal product. 1. The Dealer shall keep a daily
45 transaction log, in the English language. The log information will include: a. Name, date of birth
46 and residence of the person with whom such a transaction was made, or company or organization
47 name and principal address with whom such a transaction was made; b. The date and time when
48 such a transaction occurred; c. The price paid for the article; d. A description of the article,
49 including type, weight and quantity; e. The license plate number and state of issue of the vehicle
50 being used by the person offering the article to transport the article to the licensee's place of
51 business. f. A written statement from the person offering the article stating that he or she is in
52 lawful possession of the article being offered. 2. A secondary metals dealer may not accept or

53 purchase new production scrap or new materials that are part of a manufacturing process, from
54 any individual, who is not company affiliated or an authorized contractor of the manufacturer,
55 municipality, government or utility. Other items that cannot be accepted by a secondary metals
56 dealer are: 1. materials used only by governments, utilities, or for very specific purposes; 2.
57 guardrails, 3. manhole covers, 4. cables used only in high voltage transmission lines, 5. historical
58 markers, 6. cemetery plaques, 7. full sized new materials, such as those used in construction and
59 8. equipment tools used by contractors 9. bleachers from an athletic field 10. traffic signs, 11.
60 beer kegs, and 12. materials that have been reported stolen through the ISRI alert system. A list
61 of the materials named above which are deemed unacceptable shall be prominently posted on a
62 large sign at every licensed facility in the Commonwealth. 3. The record file shall be retained by
63 the Dealer for a period of one (1) year from the date of the transaction. Accompanying
64 documentation may be destroyed following the one year period. If documentation is stored
65 electronically said documents must be stored or backed-up by any current electronic means and
66 may be deleted at the completion of the one year period. 4. The Dealer shall ascertain the identity
67 of an individual selling the metal s by requiring him to produce a Massachusetts or state-issued
68 photo identification, and maintaining a copy of the same in the record of transaction. 5. The
69 Dealer shall ascertain the identity of any business, organization, society, corporation etc., selling
70 the metals by requiring him to provide a Massachusetts or state-issued identification number, and
71 maintaining a copy of the same in the record of transaction. 6. During the one year period, the
72 log shall be open for inspection by the state and local police upon reasonable request. 7. Failure
73 to comply with the above procedures shall be cause for the revocation of the dealer's license.