

HOUSE BILL 1941

By Hawk

AN ACT to amend Tennessee Code Annotated, Title 39,
Chapter 14; Title 40, Chapter 35 and Title 62,
Chapter 9, relative to scrap metal.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 62-9-104(b)(1), is amended by deleting the subdivision and by substituting instead the following:

(1) Before purchasing scrap metal from a person, the dealer shall:

(A) Conduct a reasonably diligent inquiry, based upon the seller, type and quantity of metal offered for sale and other circumstances surrounding the transaction, to determine whether the person selling or delivering the scrap metal has a legal right to do so and whether a lawful transaction may be made;

(B) If the person presents a bill of sale, receipt or other document indicating that the person is in lawful possession of the scrap metal or it was otherwise lawfully acquired, photocopy the document and maintain it with the transaction information otherwise required by this section; and

(C) If the person selling scrap metal is not an employee or agent of a business, require the person to:

(i) Sign a statement that the seller is the owner of the scrap metal;

or

(ii) If the seller is not the owner of the scrap metal:

(a) Sign a statement that the seller is authorized to sell the scrap metal on behalf of the owner; and

(b) Provide the name, address and telephone number of the owner.

SECTION 2. Tennessee Code Annotated, Section 62-9-104(b)(2), is amended by deleting the subdivision and by substituting instead the following:

(2) In addition to identifying information required to be maintained by a dealer pursuant to § 62-9-103, the dealer shall also:

(A) Maintain transaction records of each purchase by date and time of purchase, name of seller, the amount paid for the scrap metal and the weight of each kind of scrap metal;

(B) Maintain a detailed description of the metal being purchased using the uniform terminology developed by the department;

(C) If the person selling scrap metal is not an employee or agent of a business, photograph the metal being purchased and include the photograph with the transaction records; and

(D) Make entries in chronological order of sale from day to day, as the business is transacted.

SECTION 3. Tennessee Code Annotated, Section 62-9-104, is amended by adding the following as a new subsection (d):

(d)

(1) No dealer shall process any scrap metal for a period of forty-eight (48) hours from the date and time of purchase.

(2) For purposes of this subsection (d), “process” means to sell, transfer, ship, shred, melt, cut or otherwise alter scrap metal.

SECTION 4. Tennessee Code Annotated, Section 62-9-105(a), is amended by deleting the language “and 62-9-104(b)(2)” and by substituting instead the language “and 62-9-104(b)”.

SECTION 5. For purposes of promulgating rules, this act shall take effect upon becoming a law, the public welfare requiring it. For all other purposes, this act shall take effect July 1, 2014, the public welfare requiring it.