

No. 167. An act relating to scrap metal processors.

(H.699)

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 9 V.S.A. chapter 82 is amended to read:

CHAPTER 82. SCRAP METAL PROCESSORS

§ 3021. DEFINITIONS

As used in this chapter:

(1) ~~“Authorized scrap seller” means a licensed plumber, electrician, HVAC contractor, building or construction contractor, demolition contractor, construction and demolition debris contractor, public utility, transportation company, licensed peddler or broker, an industrial and manufacturing company, marine, automobile, or aircraft salvage and wrecking company, or a government entity. [Repealed.]~~

* * *

(7) “Scrap metal processor” means:

(A) a salvage yard, as defined in 24 V.S.A. § 2241(7); or

(B) a person authorized to conduct a business that processes and manufactures scrap metal into prepared grades for sale as raw material to mills, foundries, and other manufacturing facilities engaged in the business of purchasing ferrous scrap, nonferrous scrap, metal articles, or proprietary articles, whether for resale or for processing into raw material products consisting of prepared grades.

(C) “Scrap metal processor” does not include:

(i) a salvage yard described in 24 V.S.A. § 2248(e); or

(ii) a salvage yard or salvage dealer that only accepts or

dismantles motor vehicles and flattens or crushes the motor vehicles for transportation to a scrap metal processor.

§ 3022. PURCHASE OF NONFERROUS SCRAP, METAL ARTICLES,
AND PROPRIETARY ARTICLES

~~(a) A scrap metal processor may purchase nonferrous scrap, metal articles, and proprietary articles directly from an authorized scrap metal seller or the seller’s authorized agent or employee. [Repealed.]~~

(b) A scrap metal processor may purchase nonferrous scrap, metal articles, and proprietary articles ~~from a person who is not an authorized scrap metal seller or the seller’s authorized agent or employee, provided~~ only if the scrap metal processor complies with all the following procedures:

(1) At the time of sale, the processor:

~~(A) requires~~ Requires the seller to provide a current government-issued photographic identification that indicates the seller’s full name, current address, and date of birth, and records in a permanent ledger the identification information of the seller, the time and date of the transaction, the license number of the seller’s vehicle, and a description of the items received from the seller. ~~This information shall be retained for at least five years at the~~

~~processor's normal place of business or other readily accessible and secure location. On request, this information shall be made available to any law enforcement official or authorized security agent of a governmental entity who provides official credentials at the scrap metal processor's business location during regular business hours.~~

~~(2)(B)~~ Requests and, if available, collects documentation from the seller of the items offered for sale, such as a bill of sale, receipt, letter of authorization, or similar evidence that establishes that the seller lawfully owns the items to be sold.

~~(3)(2)~~ After purchasing an item from a person who fails to provide documentation pursuant to subdivision ~~(2)(1)(B)~~ of this subsection ~~(b) of this section,~~ the processor:

(A) submits ~~Submits~~ to the ~~local law enforcement agency department of public safety~~ no later than the close of the following business day a report that describes the item and the seller's identifying information required in subdivision (1)(A) of this subsection, ~~and,~~

(B) holds ~~Holds~~ the ~~proprietary article item~~ for at least ~~15~~ 10 days following purchase.

(c) The information collected by a scrap metal processor pursuant to this section shall be retained for at least five years at the processor's normal place of business or other readily accessible and secure location. On request, this

information shall be made available to any law enforcement official or authorized security agent of a governmental entity who provides official credentials at the scrap metal processor's business location during regular business hours.

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Sec. 2. REPORTING SCRAP METAL SALES

The department of public safety, in collaboration with the department of environmental conservation, shall develop:

- (1) a uniform form for the report required for purchases pursuant to 9 V.S.A. § 3022(b)(2)(A);
- (2) an electronic form and reporting system through which scrap metal processors may submit to the department of public safety the report required for purchases pursuant to 9 V.S.A. § 3022(b)(2)(A); and
- (3) an implementation and public outreach process to inform scrap metal processors that the electronic form and reporting system are available for use.

Sec. 3. POSSESSION OF STOLEN PROPERTY; STUDY; NONVIOLENT MISDEMEANOR SENTENCE REVIEW COMMITTEE

The nonviolent misdemeanor sentence review committee created by Sec. 4 of No. 41 of the Acts of 2011 shall study the feasibility and advisability of broadening the scope of Vermont's possession and receipt of stolen property statute, 13 V.S.A. § 2561. The study shall consider the practical and policy

implications of amending 13 V.S.A. § 2561 to apply to reckless conduct or of otherwise amending state stolen property law to limit the likelihood that stolen property will be purchased and resold by pawnbrokers and other persons engaged in the business of reselling property.

Sec. 4. 9 V.S.A. § 3865 is amended to read:

§ 3865. PAWNBROKER'S RECORD BOOK RECORDS OF A

PAWNBROKER OR SECONDHAND DEALER

(a) A pawnbroker shall keep a book in which shall be fairly written in the English language, at the time of making a loan, an account and description of the goods, articles or things pawned or pledged, the amount of money loaned thereon, the time of pledging the same, the rate of interest to be paid on such loan, and the name and residence of the person pawning or pledging such property In each year a pawnbroker or secondhand dealer resells over \$500.00 of items pawned, pledged, or sold to the pawnbroker or secondhand dealer, he or she shall maintain the following records for each transaction in that year:

(1) a legible statement written at the time of the transaction stating the amount of money lent or paid for the items pawned, pledged, or sold, the time of the transaction, and the rate of interest to be paid on the loan, as applicable;

(2) a legible statement of the name, current address, telephone number, and vehicle license number of the person pawning, pledging, or selling the items;

(3) a legible written description and photograph, or alternatively a video, of the items pawned, pledged, or sold;

(4) a photocopy of a government-issued identification card issued to the person pawning, pledging, or selling the items, if available.

(b) At all reasonable times, ~~such book~~ the records required under subsection (a) of this section shall be open to the inspection of ~~the town or city authorities, all courts, the chief of police, or of any person who is duly authorized in writing for that purpose by such authority, court, or chief of police and who exhibits such written authority to such pawnbroker~~ law enforcement.

(c) In this section:

(1) "Precious metal" means gold, silver, platinum, or palladium.

(2) "Secondhand dealer" means a person engaged in the business of purchasing used or estate precious metal, coins, antiques, furniture, jewelry, or similar items for the purpose of resale.

Sec. 5. 9 V.S.A. § 3872 is added to read:

§ 3872. SECONDHAND DEALERS; RETENTION OF GOODS

A pawnbroker or secondhand dealer, as defined in section 3865 of this title, shall retain purchased property for no fewer than 10 days before offering it for sale or for scrap.

Approved: May 18, 2012