

House Engrossed

FILED
KEN BENNETT
SECRETARY OF STATE

State of Arizona
House of Representatives
Fifty-first Legislature
Second Regular Session
2014

CHAPTER 90

HOUSE BILL 2268

AN ACT

AMENDING SECTIONS 44-1642, 44-1642.01 AND 44-1648, ARIZONA REVISED STATUTES;
RELATING TO SCRAP METAL DEALERS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 44-1642, Arizona Revised Statutes, is amended to
3 read:

4 44-1642. Records of purchase; transaction limitations; age
5 requirement for scrap metal seller; exception

6 A. Every scrap metal dealer shall keep on the business premises a book
7 or other similar record legibly printed or written in ink, in the English
8 language of each transaction involving the receipt of scrap metal. The
9 record of each receipt of scrap metal shall include the following
10 information:

11 1. The date, time and place of the transaction.

12 2. A photograph and an identifying description and weight of the
13 specific scrap metal received.

14 3. The dollar amount of the transaction.

15 4. Except as otherwise provided in this paragraph, the seller's name,
16 physical description including gender, height, weight, race and eye and hair
17 color, physical address, date of birth and signature and a photocopy of a
18 current driver license, nonoperating identification license issued pursuant
19 to section 28-3165 or photo identification card issued by a tribal government
20 or the United States military. The scrap metal dealer must validate the
21 recorded information by using the seller's current driver license,
22 nonoperating identification license issued pursuant to section 28-3165 or
23 photo identification card issued by a tribal government or the United States
24 military. This paragraph does not apply to a seller who is exclusively
25 selling aluminum beverage containers.

26 5. The seller's transaction privilege tax number, if applicable.

27 6. The number and state of issuance of the license on the vehicle used
28 to deliver the scrap metal.

29 7. A photograph, video record or digital record of the seller involved
30 in the transaction.

31 8. A right index fingerprint of the seller.

32 B. The record and entries shall be retained in a book or similar
33 record at the business premises for one year after making the final entry of
34 any transaction and shall be retained either at the business premises or any
35 other reasonably available location for an additional year. A scrap metal
36 dealer's business premises, business records relating to scrap metal
37 transactions, including a book or similar record prescribed by this section,
38 and business inventory shall be open during regular business hours for
39 reasonable inspection by a peace officer. Before an inspection shall take
40 place a peace officer shall first identify himself and the purpose for the
41 inspection to the scrap metal dealer, dealer's manager or other responsible
42 person and comply with all reasonable and customary safety requirements of
43 that scrap metal dealer for the business premises inspected. The scrap metal
44 dealer may require the peace officer to sign an inspection log that includes
45 the officer's name and serial or badge number and the time, the date and the
46 purpose for the inspection.

1 C. A scrap metal dealer shall not provide payment for any scrap metal
2 on site at the time of the scrap metal transaction. Payment shall be made by
3 mailing a check or money order to a physical address provided by the seller
4 through a current driver license or other identification prescribed in
5 subsection A, paragraph 4 of this section. The check or money order shall be
6 made payable to the business name for an industrial account. This
7 subsection:

8 1. Except as provided in paragraphs 2, 3 and 4 of this subsection,
9 only applies to industrial accounts, copper and aluminum wire with a diameter
10 of at least three-eighths of an inch.

11 2. Except as provided in paragraph 3 or 4 of this subsection, applies
12 to all scrap metal transactions of three hundred dollars or more.

13 3. Does not apply to industrial accounts if the industrial accounts
14 annually preregister employees who are authorized sellers on behalf of the
15 industrial accounts.

16 4. Applies to all transactions involving air conditioner cooling
17 coils, including industrial accounts, EXCEPT THAT FOR THESE TRANSACTIONS A
18 SCRAP METAL DEALER MAY GIVE A SELLER ON SITE A CHECK MADE PAYABLE TO AN
19 INDUSTRIAL ACCOUNT.

20 D. A scrap metal dealer shall provide a receipt to the seller on site
21 at the time of the scrap metal transaction, for every transaction, and shall
22 include the following information:

23 1. The date, time and place of the transaction.

24 2. An identifying description and weight of the specific scrap metal
25 received.

26 3. The dollar amount of the transaction.

27 E. A scrap metal seller may not conduct a series of transactions for
28 one vehicle load of scrap metal to avoid the requirements of this section.

29 F. A scrap metal seller shall not participate in more than one cash
30 transaction per day for scrap metal.

31 G. A scrap metal seller shall be at least sixteen years of age.

32 H. THIS SECTION DOES NOT APPLY TO TRANSACTIONS INVOLVING MATERIALS
33 CONSISTING OF A METAL PRODUCT IN ITS ORIGINAL MANUFACTURED FORM THAT IS
34 COMPOSED OF NO MORE THAN TWENTY PER CENT BY WEIGHT OF NONFERROUS METAL.

35 Sec. 2. Section 44-1642.01, Arizona Revised Statutes, is amended to
36 read:

37 44-1642.01. Prohibited scrap metal transactions; exceptions;
38 violation; classification

39 A. A scrap metal dealer shall not knowingly purchase the following
40 types of scrap metal:

41 1. Metal manhole covers that are used to cover street or alley service
42 personnel access entrances to municipal sewers and storm drains.

43 2. Brass or bronze valves or fittings that are commonly used on
44 structures for access to water for the purpose of extinguishing fires.

1 3. Brass or bronze commercial potable water backflow preventer valves
2 that are valves commonly used to prevent backflow of potable water into
3 municipal domestic water service systems from commercial structures.

4 4. Water meters that are used for measurement of the use and
5 consumption of domestic water.

6 5. Aluminum trench shoring that is commonly used for shoring below
7 ground trenches and excavations for the construction of buildings and
8 structures.

9 6. Aluminum loading ramps that are manufactured and used for loading
10 motor vehicles for hauling the motor vehicles.

11 7. Aluminum or stainless steel beer or malt beverage kegs that are
12 commonly used by brewers or producers for the sale and transportation of beer
13 or malt beverages.

14 8. Catalytic converters. For the purposes of this paragraph,
15 "catalytic converters" means motor vehicle exhaust system parts that are used
16 for controlling the exhaust emissions from motor vehicles and that contain a
17 catalyst metal.

18 9. METAL MUNICIPAL STORM GRATES THAT ARE USED TO ALLOW FOR WATER
19 DRAINAGE FROM MUNICIPAL STREETS OR ALLEYS.

20 B. This section does not apply to or prohibit the purchase or
21 possession of the types of items listed in subsection A OF THIS SECTION and
22 that are acquired in transactions with industrial accounts, with other scrap
23 metal dealers or after the scrap metal is authorized for release by a peace
24 officer of that jurisdiction.

25 C. A person who violates this section is guilty of a class 1
26 misdemeanor.

27 Sec. 3. Section 44-1648, Arizona Revised Statutes, is amended to read:
28 44-1648. Preemption; power of local authorities; city, town or
29 county licensing system

30 A. The state legislature determines that the registration of scrap
31 metal dealers is a matter of statewide concern. The power to register scrap
32 metal dealers is preempted by this state.

33 B. This article does not affect a ~~city, town~~ CITY'S, TOWN'S or
34 county's power to enforce laws relating to business licensing. THIS ARTICLE
35 DOES NOT APPLY TO A CITY'S, TOWN'S OR COUNTY'S SYSTEM FOR LICENSING A SCRAP
36 METAL DEALER IF THE LICENSING SYSTEM INCLUDES BACKGROUND CHECKS OR
37 IDENTIFICATION AND FINGERPRINTING OF THE OWNERS OF THE SCRAP METAL DEALER.

38 C. A SCRAP METAL DEALER'S LICENSE THAT IS CURRENT AND IN GOOD STANDING
39 WITH A CITY'S, TOWN'S OR COUNTY'S LICENSING SYSTEM BEFORE SEPTEMBER 13, 2013
40 IS IN COMPLIANCE WITH THAT LICENSING SYSTEM AND THE CITY, TOWN OR COUNTY MAY
41 NOT REQUIRE THE SCRAP METAL DEALER TO REAPPLY FOR LICENSURE IN ORDER TO BE IN
42 COMPLIANCE WITH THE CITY'S, TOWN'S OR COUNTY'S LICENSURE SYSTEM UNLESS THERE
43 IS AN EVENT OR CIRCUMSTANCE THAT REQUIRES AN AMENDMENT OR FILING PURSUANT TO
44 THE CITY'S, TOWN'S OR COUNTY'S LICENSING SYSTEM'S REQUIREMENTS.

APPROVED BY THE GOVERNOR APRIL 17, 2014.

Passed the House February 25, 20 14

Passed the Senate April 16, 20 14

by the following vote: 55 Ayes,

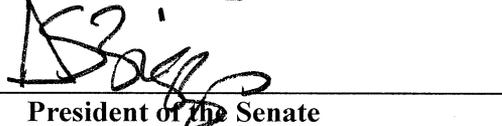
by the following vote: 27 Ayes,

3 Nays, 2 Not Voting

1 Nays, 2 Not Voting

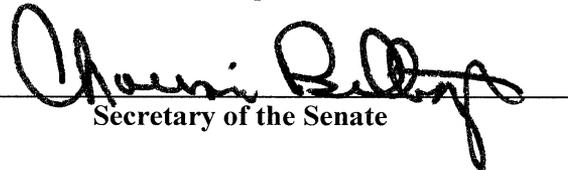


Speaker of the House



President of the Senate


Cheryl Laube
Chief Clerk of the House

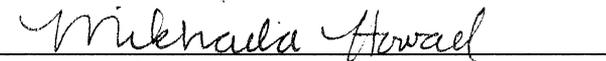

Chaeun Bell
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

16 day of April, 20 14

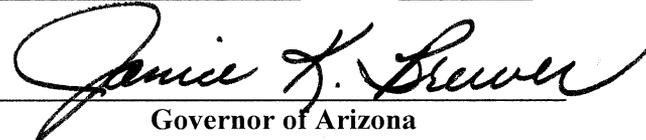
at 11:50 o'clock A M.


Mikhaela Howard
Secretary to the Governor

Approved this 17th day of

April

at 11:31 o'clock A M.

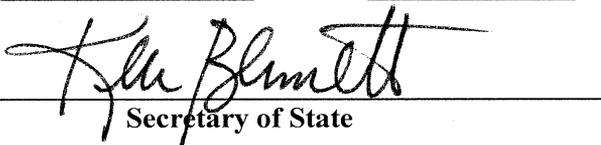

Janice L. Brewer
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 18th day of April, 20 14

at 8:10 o'clock a M.


Kelli Blumeth
Secretary of State

H.B. 2268