
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1742 Session of
2007

INTRODUCED BY PASHINSKI, BOYD, BRENNAN, CURRY, DENLINGER,
GOODMAN, HENNESSEY, HERSHEY, JAMES, KORTZ, KULA, MARSHALL,
McCALL, MURT, PETRONE, READSHAW, SHIMKUS, K. SMITH, THOMAS,
HARHAI, FRANKEL, MCGEEHAN, GINGRICH, WAGNER AND MELIO,
JULY 13, 2007

SENATOR ARMSTRONG, APPROPRIATIONS, IN SENATE, RE-REPORTED AS
AMENDED, SEPTEMBER 17, 2008

AN ACT

1 Requiring scrap processors and recycling facility operators to
2 collect certain information relating to the purchase of scrap
3 material; requiring commercial accounts; and restricting
4 scrap processors and recycling facility operators from
5 purchasing certain materials.

6 The General Assembly finds that:

7 (1) Copper, aluminum, steel and other metal commodity
8 ~~prices~~ THEFTS rise as the ~~theft~~ PRICE of metal property ←
9 increases.

10 (2) Scrap processors and recycling facility operators
11 may serve as unknowing conduits for the disposition of stolen
12 metal property and may also be victims of theft.

13 (3) Individuals have found it to be more financially
14 advantageous to sell used beer kegs to a scrap processor or
15 recycling facility operator as opposed to returning the kegs
16 to the distributor ~~from~~ where they were rented. ←

1 (4) This act is needed to ensure appropriate
2 documentation of transactions to assist law enforcement
3 agencies to identify, recover and return stolen property to
4 its owner and to ensure, as reasonably as possible, that
5 scrap processors and recycling facility operators are less
6 likely to be used as ~~unknowing~~ conduits for the liquidation ←
7 and disposal of stolen metal property.

8 The General Assembly of the Commonwealth of Pennsylvania
9 hereby enacts as follows:

10 Section 1. Short title.

11 This act shall be known and may be cited as the Scrap
12 Material Theft Prevention Act.

13 Section 2. Definitions.

14 The following words and phrases when used in this act shall
15 have the meanings given to them in this section unless the
16 context clearly indicates otherwise:

17 "Beer keg." A vessel designed to contain at least 128 fluid
18 ounces of malt or brewed beverage.

19 "BUYER." THE OWNER, OPERATOR OR EMPLOYEE OF A SCRAP ←
20 PROCESSOR OR RECYCLING FACILITY.

21 "Catalytic converter." An air pollution abatement device
22 that removes pollutants from motor vehicle exhaust, either by
23 oxidizing them into carbon dioxide and water or reducing them to
24 nitrogen.

25 "Commercial account." A relationship between a scrap metal ←
26 ~~business~~ PROCESSOR and a commercial enterprise that is ongoing ←
27 and properly documented.

28 "Commercial enterprise." A corporation, partnership, limited
29 liability company, SINGLE PROPRIETORSHIP, association, State ←
30 agency, political subdivision of the Commonwealth, public

1 corporation or any other legal or commercial entity.

2 "Commercial metal property." Utility access covers, street
3 light poles and fixtures, road and bridge guardrails, highway or
4 street signs, water meter covers, traffic directional and
5 control signs, traffic light signals, any metal property CLEARLY <—
6 marked with the name of the commercial enterprise, including,
7 but not limited to, a telephone, cable, electric, water, natural
8 gas or other utility or railroad, unused or undamaged building
9 construction materials consisting of copper pipe, tubing or
10 wiring, aluminum wire, siding, downspouts or gutters, aluminum
11 or stainless steel fence panels, aluminum decking, bleachers or
12 risers, historical markers, statue plaques, grave markers,
13 funeral vases, agricultural irrigation wheels, sprinkler heads, <—
14 ~~pipes and other materials that might not be new but are clearly~~
15 ~~suspect.~~

16 ~~"Ferrous metals." Any metals containing significant~~
17 ~~quantities of iron or steel.~~

18 ~~"Nonferrous metals." Metals not containing significant~~
19 ~~quantities of iron or steel, including, but not limited to,~~
20 ~~copper, brass, aluminum, bronze, lead, zinc and nickel and~~
21 ~~alloys thereof. The term does not include precious metals. AND <—~~
22 PIPES.

23 "FERROUS METALS." ITEMS THAT ARE PREDOMINANTLY MADE FROM
24 IRON OR STEEL THAT HAVE NO FURTHER USE IN THEIR ORIGINAL
25 MANUFACTURED FORM BUT WHICH CAN BE MELTED FOR THEIR METAL
26 CONTENT AND UTILIZED IN THE MANUFACTURE OF NEW PRODUCTS.

27 "LAW ENFORCEMENT OFFICER." ~~ANY PENNSYLVANIA STATE POLICE <—~~
28 ~~OFFICER OR A LOCAL LAW ENFORCEMENT OFFICER OF A POLITICAL~~
29 ~~SUBDIVISION OF THIS COMMONWEALTH IN WHICH THE SCRAP PROCESSOR IS~~
30 ~~LOCATED.~~ A MEMBER OF THE PENNSYLVANIA STATE POLICE OR AN <—

1 INDIVIDUAL EMPLOYED AS A POLICE OFFICER WHO HOLDS A CURRENT
2 CERTIFICATE UNDER 53 PA.C.S. CH. 21, SUBCH. D (RELATING TO
3 MUNICIPAL POLICE EDUCATION AND TRAINING).

4 "Nonferrous metals." Items that are predominantly made from
5 metals other than iron and steel, such as copper, brass,
6 aluminum, bronze, lead, zinc, nickel and alloys that have no
7 further use in their original manufactured form but which can be
8 melted for their metal content and utilized in the manufacture
9 of new products.

10 "Processing." Receiving, storing or reselling scrap
11 materials for payment or other financial consideration.

12 "Recycling facility operator." ~~A person~~ AN OWNER, OPERATOR ←
13 OR EMPLOYEE who operates a facility employing a technology that
14 is a process to separate or classify municipal waste and who
15 creates or recovers reusable materials that can be sold to or
16 reused by a manufacturer as a substitute for or a supplement to
17 virgin raw materials. The term does not include a person who
18 operates a transfer station or landfill for solid waste,
19 composting facility or resource recovery facility.

20 "Scrap processor." ~~A person~~ AN OWNER, OPERATOR OR EMPLOYEE ←
21 who, from a fixed location, utilizes machinery and equipment for
22 processing and manufacturing ferrous or nonferrous metallic
23 scrap, paper scrap, plastic scrap, rubber scrap or glass scrap
24 into prepared grades and whose principal product is sold as a
25 raw material in the manufacture of new products.

26 "Seller." ~~A person~~ ANY PERSON, OTHER THAN A COMMERCIAL ←
27 ENTERPRISE, who sells scrap materials to a scrap processor or
28 recycling facility operator.

29 Section 3. Identification requirements for sale of scrap
30 materials to scrap processors and recycling

1 facility operators.

2 (a) General rule.--A scrap processor and recycling facility
3 operator shall collect the following information for all
4 transactions by a seller of restricted material under section 57 <—
5 ~~from all other sellers when the purchase of scrap material AND <—~~
6 FROM ANY OTHER SELLER WHEN THE PURCHASE OF SCRAP MATERIAL FROM
7 THE SELLER exceeds \$100: ~~and for all transactions involving a <—~~
8 catalytic converter:

9 (1) ~~Recording the THE name, telephone number and address <—~~
10 of the seller.

11 (2) ~~Recording the THE number of a driver's license or <—~~
12 other form of government identification or photocopying or
13 scanning the license or other identification.

14 (3) ~~Recording the THE make, year, type and license plate <—~~
15 number of the motor vehicle the seller operates at the time
16 of the transaction.

17 (4) ~~Creating and recording a unique identification <—~~
18 number for the seller and using it for every transaction with
19 that seller which shall be documented on all receipts.

20 (4) ~~THE UNIQUE IDENTIFICATION NUMBER OF THE SELLER. The <—~~
21 number shall be assigned based on an initial collection of
22 seller information, USED FOR EVERY TRANSACTION WITH THAT <—
23 SELLER, AND SHALL BE DOCUMENTED ON ALL RECEIPTS.

24 (5) ~~Obtaining the THE seller's signature for each <—~~
25 transaction.

26 (1) A PHOTOCOPY OF THE DRIVER'S LICENSE OF THE SELLER. <—

27 (2) THE SELLER'S AND BUYER'S SIGNATURE FOR EACH
28 TRANSACTION.

29 (3) THE LICENSE PLATE NUMBER OF THE MOTOR VEHICLE THE
30 SELLER OPERATES AT THE TIME OF THE TRANSACTION.

1 ~~(6)~~ Obtaining written (4) WRITTEN permission of the <—
2 seller's parent or legal guardian, if the seller is under 18
3 years of age.

4 ~~(b)~~ ~~Supplemental information.~~ In addition to the <—
5 ~~information required under subsection (a), a scrap processor and~~
6 ~~recycling facility operator shall also collect the following~~
7 ~~information from a seller:~~

8 ~~(1)~~ ~~(7)~~ (5) The date and time of the transaction. <—

9 ~~(2)~~ ~~(8)~~ (6) A description of the scrap material <—
10 included in the transaction, INCLUDING THE WEIGHT OF THE <—
11 SCRAP MATERIAL AND THE AMOUNT PAID TO THE SELLER.

12 ~~(c)~~ (B) Tracking the transaction.--A scrap processor and <—
13 recycling facility operator shall, when payment is made in cash,
14 develop methods of tracking a transaction that obtains the
15 seller's signature on a receipt for the transaction. The receipt
16 shall include a certification that the seller is the owner or
17 authorized seller of the scrap material.

18 ~~(d)~~ (C) Holding period.-- <—

19 ~~(1)~~ ~~Following notification, either verbally or in~~ <—
20 ~~writing, from a law enforcement officer of this Commonwealth~~
21 ~~or any of its political subdivisions~~

22 (1) (I) FOLLOWING NOTIFICATION, EITHER VERBALLY OR IN <—
23 WRITING, FROM A LAW ENFORCEMENT OFFICER that certain
24 scrap materials have been reported as stolen, a scrap
25 processor or recycling facility operator that is in
26 possession of the scrap material in question shall hold
27 that scrap material intact and safe from alteration,
28 damage or commingling, and shall place an identifying tag
29 or other suitable identification upon the scrap material.

30 ~~The scrap operator or recycling facility shall hold the~~ <—

1 ~~scrap material for a period~~

2 (II) A LAW ENFORCEMENT OFFICER MAKING A VERBAL <—
3 REQUEST SHALL PROVIDE THE SCRAP PROCESSOR OR RECYCLING
4 FACILITY OPERATOR, UPON REQUEST, WITH THE OFFICER'S NAME,
5 BADGE NUMBER AND DEPARTMENT CONTACT TELEPHONE NUMBER SO
6 THAT THE SCRAP PROCESSOR OR RECYCLING FACILITY OPERATOR
7 MAY CALL BACK TO CONFIRM THE IDENTITY OF THE LAW
8 ENFORCEMENT OFFICER.

9 (2) WITHIN 24 HOURS OF NOTIFICATION BY THE LAW
10 ENFORCEMENT OFFICER OR 24 HOURS OF THE RECEIPT OF THE
11 MATERIAL, WHICHEVER IS LATER, THE SCRAP PROCESSOR OR
12 RECYCLING FACILITY OPERATOR SHALL NOTIFY THE LAW ENFORCEMENT
13 OFFICER THAT SCRAP MATERIAL MATCHING THE LAW ENFORCEMENT
14 OFFICER'S DESCRIPTION IS ON THE PREMISES.

15 (3) THE SCRAP PROCESSOR OR RECYCLING FACILITY SHALL HOLD
16 THE SCRAP MATERIAL FOR A PERIOD of time as directed by the
17 applicable law enforcement agency, up to a maximum of ~~three~~ <—
18 ~~business days~~ 36 48 HOURS FOLLOWING NOTIFICATION, unless <—
19 extended pursuant to paragraph ~~(3)~~ (5). <—

20 ~~(2)~~ (4) A law enforcement ~~official~~ OFFICER ~~of this~~ <—
21 ~~Commonwealth or any of its political subdivisions~~ shall not
22 place a hold on any scrap material unless that law
23 enforcement ~~official~~ OFFICER reasonably suspects that the <—
24 scrap material is lost or stolen. THE REQUEST TO HOLD SCRAP <—
25 MATERIAL SHALL BE AS SPECIFIC AS POSSIBLE BY USING
26 DESCRIPTIVE LANGUAGE, INCLUDING, BUT NOT LIMITED TO, THE TYPE
27 AND THE STYLE OF THE MATERIAL, LENGTH OR WEIGHT OR ANY OTHER
28 SUCH DESCRIPTION TO IDENTIFY THE MATERIAL TO BE HELD. Any
29 hold that is placed on scrap material shall not exceed ~~three~~ <—
30 ~~business days~~ 36 48 HOURS and the scrap material must be <—

1 returned to the owner or released when the hold has been
2 released or has expired.

3 ~~(3)~~ (5) A holding period may be extended beyond ~~three~~ <—
4 ~~days~~ 48 HOURS only upon the order of a magisterial <—
5 district judge after the magisterial district judge has
6 determined that probable cause exists that the scrap material
7 is lost or stolen.

8 (6) A SCRAP PROCESSOR OR RECYCLING FACILITY OPERATOR <—
9 THAT RECEIVES MATERIAL THAT DOES NOT MEET THE DESCRIPTION OF
10 MATERIALS BEING SOUGHT BY A LAW ENFORCEMENT OFFICER MAY
11 DISPOSE OF THAT MATERIAL AT ITS DISCRETION.

12 ~~(e)~~ (D) Maintenance of records.--The information required by <—
13 this section shall be maintained by the scrap processor or
14 recycling facility operator for a minimum of two years from the
15 date of the transaction.

16 Section 4. Commercial accounts.

17 (a) Duty to create and maintain.--Every scrap processor and
18 recycling facility operator must create and maintain a permanent
19 record with a commercial enterprise, including another scrap
20 metal business, in order to establish a commercial account. The
21 record shall, at a minimum, include the following information:

22 (1) The full name AND FEDERAL OR STATE TAX <—
23 IDENTIFICATION NUMBER of the commercial enterprise or
24 commercial account.

25 (2) The business address and telephone number of the
26 commercial enterprise or commercial account.

27 ~~(3) The full name of the person employed by the <—~~
28 ~~commercial enterprise or commercial account who is authorized~~
29 ~~to deliver the ferrous or nonferrous metal or commercial~~
30 ~~metal property to the scrap processor or recycling facility.~~

1 ~~(4) A letter from the commercial enterprise designating~~
2 ~~the seller as representative of that enterprise who is~~
3 ~~authorized to sell the ferrous or nonferrous metal or~~
4 ~~commercial metal property on behalf of the commercial~~
5 ~~enterprise.~~

6 (b) Additional information.--The record for each commercial
7 enterprise maintained by the scrap processor or recycling
8 facility operator shall document every purchase and receipt of
9 ferrous or nonferrous metal and commercial metal property. That
10 documentation shall include, at a minimum:

11 (1) The date, time and value of the property being
12 purchased or received.

13 (2) A description of the predominant types of property
14 being purchased or received.

15 (C) EFFECT OF ESTABLISHING COMMERCIAL ACCOUNT.--ONCE A <—
16 COMMERCIAL ACCOUNT IS ESTABLISHED, IF NO FINANCIAL TRANSACTION
17 OCCURS BETWEEN THE SCRAP PROCESSOR OR RECYCLING FACILITY
18 OPERATOR AND THE PERSON DELIVERING SCRAP MATERIAL, THEN THE
19 SCRAP PROCESSOR OR RECYCLING FACILITY OPERATOR NEED ONLY
20 MAINTAIN A PHOTOCOPY OF THE DRIVER'S LICENSE OF THE PERSON
21 DELIVERING THE SCRAP MATERIAL TO COMPLY WITH THIS SUBSECTION.

22 (D) FINANCIAL TRANSACTIONS.--ONCE A COMMERCIAL ACCOUNT HAS
23 BEEN ESTABLISHED, IF A FINANCIAL TRANSACTION OCCURS BETWEEN A
24 SCRAP PROCESSOR OR RECYCLING FACILITY OPERATOR AND A PERSON
25 DELIVERING THE SCRAP MATERIAL, THE SCRAP PROCESSOR OR RECYCLING
26 FACILITY OPERATOR SHALL OBTAIN THE FOLLOWING BEFORE COMPLETING
27 EACH TRANSACTION:

28 (1) A PHOTOCOPY OF THE DRIVER'S LICENSE OF THE PERSON
29 DELIVERING THE SCRAP MATERIALS.

30 (2) THE LICENSE PLATE NUMBER OF THE VEHICLE TRANSPORTING

1 SCRAP MATERIAL.

2 (3) THE TELEPHONE NUMBER OF THE COMMERCIAL ACCOUNT.

3 (4) CONFIRMATION THAT THE PERSON DELIVERING THE SCRAP
4 MATERIAL IS AUTHORIZED TO RECEIVE A CHECK OR CASH ON BEHALF
5 OF THE PERSON OR ENTITY PROVIDING THE SCRAP MATERIAL.

6 Section 5. Restricted materials.

7 A scrap processor and recycling facility operator may
8 purchase the following scrap material only if the purchase
9 occurs with a commercial enterprise ~~in conjunction with a~~ ←
10 ~~contract or letter of authorization from the commercial~~
11 ~~enterprise:~~

12 (1) New production scrap or new materials that are a
13 part of a manufacturing process that are being sold by an
14 individual, not a company.

15 (2) Full sized, new materials, such as those used in
16 construction, or equipment and tools used by contractors.

17 (3) Commercial metal property.

18 (4) Metallic wire that has been burned in whole or in
19 part to remove insulation, UNLESS THE AGGREGATE VALUE IS LESS ←
20 THAN \$100.

21 (5) Beer kegs.

22 (6) ~~CATALYTIC~~ DETACHED CATALYTIC CONVERTERS. ←

23 Section 6. Law enforcement.

24 A scrap processor and recycling facility operator shall
25 disclose seller registration information required by this act
26 during normal business hours to any investigative or law
27 enforcement officer or any person acting at the direction or
28 request of an investigative or law enforcement officer to
29 investigate suspected criminal activities.

30 Section 7. Penalties.

1 A scrap processor and recycling facility operator who
2 violates this act commits a summary offense and shall, upon
3 conviction, be sentenced to pay a fine of up to \$2,500. A second
4 or subsequent violation ~~COMMITTED WITHIN 180 DAYS~~ shall be ←
5 classified as a misdemeanor of the third degree.

6 SECTION 8. PREEMPTION. ←

7 THIS ACT SHALL PREEMPT AND SUPERSEDE ANY LOCAL ORDINANCE OR
8 RULE ADOPTED AFTER THE EFFECTIVE DATE OF THIS ACT WHICH SEEKS TO
9 REGULATE THE PROCESSING OF SCRAP MATERIALS.

10 Section & 9. Effective date. ←

11 This act shall take effect in 60 days.