

1 H.285

2 Introduced by Representative Cheney of Norwich

3 Referred to Committee on

4 Date:

5 Subject: Commerce and trade; scrap metal processors; method of payment

6 Statement of purpose of bill as introduced: This bill proposes to require scrap  
7 metal processors to pay for items purchased with a check, draft, or money  
8 order.

9 An act relating to regulation of the method of payment used by scrap metal  
10 processors

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

12 Sec. 1. 9 V.S.A. § 3022 is amended to read:

13 § 3022. PURCHASE OF NONFERROUS SCRAP, METAL ARTICLES,  
14 AND PROPRIETARY ARTICLES

15 (a) [Repealed.]

16 (b) A scrap metal processor may purchase nonferrous scrap, metal articles,  
17 and proprietary articles only if the scrap metal processor complies with all the  
18 following procedures:

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

1           (A) Requires the seller to provide a current government-issued  
2 photographic identification that indicates the seller's full name, current  
3 address, and date of birth, and records in a permanent ledger the identification  
4 information of the seller, the time and date of the transaction, the license  
5 number of the seller's vehicle, and a description of the items received from the  
6 seller.

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

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

13           (A) Submits to the department of public safety no later than the close  
14 of the following business day a report that describes the item and the seller's  
15 identifying information required in subdivision (1)(A) of this subsection.

16           (B) Holds the item for at least 10 days following purchase.

17           (c) The information collected by a scrap metal processor pursuant to this  
18 section shall be retained for at least five years at the processor's normal place  
19 of business or other readily accessible and secure location. On request, this  
20 information shall be made available to any law enforcement official or  
21 authorized security agent of a governmental entity who provides official

1 credentials at the scrap metal processor's business location during regular  
2 business hours.

3 (d) A scrap metal processor shall not pay cash for nonferrous scrap, metal  
4 articles, or proprietary articles, but may make payment by check, draft, money  
5 order, or similar method of payment for which a traceable physical or  
6 electronic record of payment is made and preserved in the normal course of  
7 business.

8 Sec. 2. EFFECTIVE DATE

9 This act shall take effect on July 1, 2013.