



## 2007 ASSEMBLY BILL 429

July 3, 2007 - Introduced by Representatives SCHNEIDER, HRAYCHUCK, J. OTT, GRONEMUS and VRUWINK. Referred to Committee on Labor and Industry.

1     **AN ACT** *to create* 134.715 of the statutes; **relating to:** regulating the sale and  
2             purchase of scrap metal and providing penalties.

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### *Analysis by the Legislative Reference Bureau*

This bill regulates the sale and purchase of scrap metal. Under the bill, no person may sell or purchase scrap metal if the person knows the scrap metal has been stolen. A violator is subject to a fine up to \$10,000, imprisonment up to nine months, or both, if the value of the scrap metal is \$2,500 or less. If the value of the scrap metal exceeds \$2,500, a violator is subject to a fine up to \$10,000, imprisonment up to three years and six months, or both. Also under the bill, no person may sell or purchase a metal object associated with the grave of a veteran, if the person knows the object is stolen. A violator is subject to a fine up to \$10,000, imprisonment up to three years and six months, or both.

Additionally, the bill prohibits a scrap metal dealer from purchasing scrap metal unless the dealer verifies the identity of the seller and documents the purchase by preparing a form containing certain information. The bill requires a dealer to retain the form for not less than six years after the sale and to make the form available to law enforcement. Unless a seller presents a dealer with documentation that reasonably supports the seller's authority to sell scrap metal, the dealer may not purchase the scrap metal if any of the following apply: 1) the scrap metal matches the description of an item that has been reported stolen; 2) the scrap metal is a new material used in manufacturing or construction; or 3) the nature or quantity of the scrap metal would indicate to a reasonable person that the seller is not authorized to sell the scrap metal.

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The bill's provisions do not apply to transactions involving only aluminum cans with a total value less than \$50.

Because this bill creates a new crime or revises a penalty for an existing crime, the Joint Review Committee on Criminal Penalties may be requested to prepare a report concerning the proposed penalty and the costs or savings that are likely to result if the bill is enacted.

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*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

1           **SECTION 1.** 134.715 of the statutes is created to read:

2           **134.715 Scrap metal dealers. (1)** In this section:

3           (a) “Metal cemetery merchandise” means an object described in s. 157.061 (3),  
4 if the object is made of metal or a combination of metal and other materials.

5           (b) “Scrap metal” means a ferrous or nonferrous metal purchased primarily for  
6 its reuse or recycling value as raw metal, including metal that is combined with other  
7 materials at the time of purchase, but does not include jewelry, as defined in s. 134.71  
8 (1) (c).

9           (c) “Scrap metal dealer” means a person engaged in the business of purchasing  
10 and selling scrap metal.

11           (d) “Value” has the meaning given in s. 943.20 (2) (d).

12           **(2)** (a) No person may sell or purchase scrap metal if the person knows the scrap  
13 metal has been stolen.

14           (b) A person who violates this subsection is subject to a fine not to exceed  
15 \$10,000 or imprisonment not to exceed 9 months or both, if the value of the scrap  
16 metal sold or purchased does not exceed \$2,500.

17           (c) A person who violates this subsection is guilty of a Class I felony, if the value  
18 of the scrap metal sold or purchased exceeds \$2,500.

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1           **(3)** No person may sell or purchase metal cemetery merchandise associated  
2 with the remains of a veteran, as defined in s. 230.03 (14) (b), if the person knows the  
3 metal cemetery merchandise has been stolen. A person who violates this subsection  
4 is guilty of a Class I felony.

5           **(4)** No scrap metal dealer may purchase scrap metal from a seller unless the  
6 dealer does all of the following:

7           (a) Verifies the seller's identity using an identification card bearing the seller's  
8 photograph.

9           (b) Documents the purchase by preparing a form containing all of the following:

10           1. An identifying number from the identification card presented by the seller.

11           2. The name of the seller.

12           3. The license plate number of the seller's vehicle.

13           4. A statement, signed by the seller, that the seller is the owner of or is  
14 authorized to sell the scrap metal and has complied with applicable environmental  
15 laws and regulations in preparing the scrap metal for sale.

16           5. A description of the items purchased from the seller, including any  
17 identifying marks apparent on the items.

18           6. A description of the method the dealer used to pay the seller for the scrap  
19 metal.

20           **(5)** A scrap metal dealer shall retain a copy of the form required under sub. (4)  
21 (b) for not less than 6 years and shall make the form available to any law enforcement  
22 officer for inspection at any time that the scrap metal dealer's principal place of  
23 business is open to the public or at any other reasonable time.

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1 (6) Unless the seller presents to a scrap metal dealer a document that  
2 reasonably supports the seller's authority to sell the scrap metal, the dealer may not  
3 purchase scrap metal from a seller if any of the following apply:

4 (a) The scrap metal matches the description of an item that has been reported  
5 by law enforcement authorities as having been stolen.

6 (b) The scrap metal consists of new materials used in a manufacturing or  
7 construction process.

8 (c) The nature or quantity of the scrap metal would indicate to a reasonable  
9 person that the seller is not authorized to sell the scrap metal.

10 (7) This section does not apply to transactions involving only aluminum cans  
11 with a total value not exceeding \$50.

**SECTION 2. Effective date.**

13 (1) This act takes effect on the first day of the 6th month beginning after  
14 publication.

15 (END)