

**2007 DRAFTING REQUEST**

**Senate Substitute Amendment (SSA-SB225)**

Received: **10/10/2007**

Received By: **csundber**

Wanted: **As time permits**

Identical to LRB:

For: **Luther Olsen (608) 266-0751**

By/Representing: **Rebecca Hogan**

This file may be shown to any legislator: **NO**

Drafter: **csundber**

May Contact:

Addl. Drafters:

Subject: **Trade Regulation - other**

Extra Copies:

Submit via email: **YES**

Requester's email: **Sen.Olsen@legis.wisconsin.gov**

Carbon copy (CC:) to: **christopher.sundberg@legis.wisconsin.gov**

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**Pre Topic:**

No specific pre topic given

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**Topic:**

Regulating sale and purchase of scrap metal

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**Instructions:**

See Attached

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**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	csundber 10/10/2007	wjackson 10/10/2007		_____			
/1	csundber 10/17/2007	wjackson 10/17/2007	nmatzke 10/10/2007	_____	mbarman 10/11/2007	mbarman 10/11/2007	
/2			rschluet 10/18/2007	_____	lparisi 10/18/2007	lparisi 10/18/2007	

FE Sent For:

**<END>**

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/?	csundber 10/10/2007	wjackson 10/10/2007		_____			
/1		12 WJ 10/17	nmatzke 10/10/2007	_____	mbarman 10/11/2007	mbarman 10/11/2007	

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<END>

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/?	csundber	✓ WJ 10/10	nwn 10/10	<u>nwn</u> <u>10/10</u>			

FE Sent For:

<END>



**DEWITT  
ROSS & STEVENS**<sub>sc</sub>  
LAW FIRM

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Brookfield, WI 53005-6605  
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Please respond to: Capitol Square Office  
Direct line: 608-252-9325

## MEMORANDUM

**TO:** Representative Marlin Schneider

**FROM:** Ron Kuehn

**DATE:** August 30, 2007

**RE:** Amendments to Assembly Bill 429 (Theft of Scrap Legislation)

I am attempting, by this memo, to summarize the conclusions that we reached during our conversation on Tuesday, August 21, 2007, at your office regarding the captioned legislation. Please advise me if I misunderstood the conclusions reached on any of these subjects. In addition to you and me, two representatives of the Wisconsin scrap recycling industry were in attendance: David Borsuk and Darren Engbring. Also, Deputy Sheriff Mark Gosh from Wood County joined us by telephone.

I believe the following represents the conclusions that we reached. Please review it and see if it conforms to your recollection of the discussion. Also, enclosed is a redraft of Assembly Bill 429 to reflect my understanding of the conclusions that we reached.

1. Retail Sales Only. The legislation will apply only to retail sales, by individuals, and not to commercial or industrial sales. Therefore, a new § 134.715(d) (a definition of a "seller") has been drafted and inserted in the bill.
2. Ferrous and Nonferrous. We concluded that the legislation would apply only to nonferrous metals, but subject to a long list of exceptions which would cover ferrous metals if (for example) these were utility access covers, street and light pole fixtures, etc. This list has been inserted as an addition and clarification to the definition of scrap metal in § 134.715(1)(b).
3. Local Ordinances. We concluded that this act shall preempt any municipal ordinances that inconsistent with this act, unless that ordinance is one of a city of the first class. Section (8) has been added to the bill that makes this point.

**MEMORANDUM**

October 10, 2007

Page 2

4. Value of Scrap. We agreed, that to protect the financial interests of a consumer who is the subject of a theft of scrap, that the definition of "value" (of the item stolen) be changed to reflect the replacement value of the product that had been stolen. Therefore, the definition of "value" in § 134.714(1)(e) of the bill has been amended.

5. Information Retained. We concluded that the information regarding purchases of scrap metal from individuals, that is to be collected by the dealer at the time of purchase, need not be retained in a particular "form." However, each dealer must retain the information that is required but each dealer may continue to use their records retention systems in their present form without having to adapt to a "new form." (See part (4))

6. Photo ID. We concluded that the seller would have to present a copy of a photo ID in order to sell product to a dealer that was one of the following: A photo ID may be a drivers license, a government identification card or a travel identification card. This amendment has been inserted in part (4) of the legislation.

7. License Plate. We agreed to retain the requirement that the license plate number of the seller's vehicle, if he arrived at the dealer in a vehicle, be provided. Part (4)3. has been amended to reflect this requirement.

8. Description of Scrap. We discussed the possible need for adjusting the description of items purchased from the seller. The industry is suggesting that the description list be that which is used by the National Institute of Scrap Recycling Industries. This list has about 400 specifications for nonferrous items and about 100 for ferrous items. Representatives of WISRI and Deputy Sheriff Mark Gosh are going to discuss this and work out an amendment that we will include in the legislation. (We will need to add this reference to the bill draft.)

Paragraph 5. of part (4) of the bill has been temporarily amended (as a place marker) until this language can be worked out between the Sheriff's office and the industry, and then be available for recommendation to you.

9. Three Year Record. We agreed that scrap dealers would be required to maintain copies of the required seller information for three years. This amendment has been made to part (5) of the legislation.

10. Communication Program. David Borsuk and Darren Engbring will work with Deputy Sheriff Gosh on the concept of having law enforcement provide scrap dealers

**MEMORANDUM**

October 10, 2007

Page 3

with information regarding recent thefts identified by law enforcement. Currently a reasonably good system is in place in Milwaukee County whereby the Milwaukee County Sheriff's office communicates to an email list of nearby scrap dealers when a theft has occurred. We are thinking of creating a statewide program of this nature (kind of an email bulletin board for law enforcement to communicate with the scrap industry regarding recent thefts). We anticipate doing this separate from the statute and wholly as a cooperative program between the industry and law enforcement.

11. Exclusions. We concluded that it would be appropriate to amend part (7) of the bill to exclude all aluminum can transactions, and any transaction with a total value not exceeding \$50.00.

RWK:mb

Enclosure

cc: Mark Gosh  
Darren Engbring  
David Borsuk  
Jordan K. Lamb  
Timm P. Speerschneider

## 2007 – 2008 LEGISLATION

LRB-1874/1  
CTS:wlj:pg

## 2007 ASSEMBLY BILL 429

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

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

*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 recording certain information. The bill requires a dealer to retain the information for not less than three years after the sale and to make the information available to law enforcement. Unless a seller presents a dealer with a photo identity card and 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 materials 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.

The bill's provisions to 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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ASSEMBLY BILL 429

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

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

5       (b) “Scrap metal” means all nonferrous metals purchased primarily for its  
6 refuse 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

Deleted: a ferrous or

8 (1)(c). “Scrap metal” also means the following, regardless whether any of the following  
9 are created from ferrous or nonferrous metals. Utility access covers; street light poles  
10 and fixtures; road and bridge guard rails; highway or street signs; water meter covers;  
11 traffic directional and control signs; traffic light signals; any metal marked with the name  
12 of a governmental entity; property owned by a telephone, cable, electric, water, or other  
13 utility, or railroad, and marked or otherwise identified as such; historical markers; grave  
14 markers and vases.

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

17       (d) “Seller” means a person, other than a commercial or industrial business  
18 enterprise organized under the business organization laws of the State of Wisconsin.

Deleted: (d)

19       (e) “Value” means the replacement value of the scrap metal on or about the  
20 date that it was stolen.

Deleted: has the meaning given in s. 943.20 (2) (d).

21       (2) (a) No person may sell or purchase scrap metal if the person knows the scrap  
22 metal has been stolen.

23       (b) A person who violates this subsection is subject to a fine not to exceed  
24 \$10,000 or imprisonment not to exceed 9 months or both, if the value of the scrap metal  
25 sold or purchased does not exceed \$2,500.

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

ASSEMBLY BILL 429

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 is  
4 guilty of a Class I felony.

5 (4) No scrap metal dealer may purchase scrap metal from a seller unless the  
6 dealer documents the purchase securing the following information at the time of  
7 purchase:

8 1. Verifies the seller's identity with a photocopy of the seller's photo  
9 identification card which may be any one of the following: drivers license; government  
10 identification card; tribal identification card,

11 2. The name of the seller.

12 3. The license plate number of the seller's vehicle, if the seller arrived at the  
13 dealer's premises in a vehicle.

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

17 5. A description of the items purchased from the seller, described consistent  
18 with the format recommended by the national Institute of Scrap Recycling Industries,

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

21 (5) A scrap metal dealer shall retain a copy of the information required under  
22 sub. (4) (b) for 3 years from the date of purchase and shall make the information  
23 available to any law enforcement officer for inspection at any time that the scrap metal  
24 dealer's principal place of business is open to the public or at any other reasonable time.

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

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

**Deleted:** does all of the following:  
(a) Verifies the seller's identity using an identification card bearing the seller's photograph.  
(b) D

**Deleted:** preparing a form containing all of the following:

**Deleted:** An identifying number from the identification card presented by the seller.

**Deleted:** including any identifying marks apparent on the items.

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**ASSEMBLY BILL 429**

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

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

5 (7) This section does not apply transactions either, with a total value not  
6 exceeding \$50, or any transaction exclusively for the sale of aluminum cans.

**Deleted:** involving only aluminum cans

7 (8) This Act preempts any local ordinance of a Wisconsin municipality  
8 inconsistent with the provisions of this Act, except an ordinance of a city of the first  
9 class.

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10 **SECTION 2. Effective date.**

11 (1) This act takes effect on the first day of the 6<sup>th</sup> month beginning after  
12 publication.

13 (END)



State of Wisconsin  
2007 - 2008 LEGISLATURE

LRBs 0149/1 2  
LRBs 0137/2 KMN/R  
CTS:wlj:pg  
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SENATE

ASSEMBLY SUBSTITUTE AMENDMENT,

TO 2007 ASSEMBLY BILL 429  
SENATE 225 ✓

d-note ✓

Regen

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

*Analysis by the Legislative Reference Bureau*

This substitute amendment regulates the sale and purchase of scrap metal. Under the substitute amendment, 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 substitute amendment, 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 substitute amendment prohibits a scrap metal dealer from purchasing scrap metal unless the dealer verifies the identity of the seller and obtains and documents certain information about the transaction. The substitute amendment requires a dealer to retain the information for not less than three years after the sale and to make the information 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.

The substitute amendment's provisions do not apply to transactions involving only aluminum cans with a total value less than \$50 or to transactions involving sellers that are not individuals.

***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 all of the following:

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

9 2. All of the following, whether composed of ferrous or nonferrous metals:

10 a. Utility access covers.

11 b. Street light poles and fixtures.

12 c. Road and bridge guard rails.

13 d. Highway or street signs.

14 e. Water meter covers.

15 f. Traffic directional and control signs.

16 g. Traffic light signals.

17 h. Any metal objects marked with the name of a governmental entity.

18 i. Property owned by, and marked as owned by, a telephone, cable, electric,  
19 water, or other utility, or railroad.

①



Historical markers.

②

Grave markers and vases.

replacing an object sold or purchased in violation of para (b) with another object substantially identical in function and condition, to the object sold or purchased at the time the object was stolen.

3

(c) "Scrap metal dealer" means a person engaged in the business of purchasing

4

and selling scrap metal.

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(2) (a) For purposes of this subsection, "value" means the replacement cost of

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the scrap metal on or about the date that the scrap metal was stolen.

7

(b) No person may sell or purchase scrap metal if the person knows the scrap

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metal has been stolen.

9

(c) A person who violates this subsection is subject to a fine not to exceed

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\$10,000 or imprisonment not to exceed 9 months or both, if the value of the scrap

11

metal sold or purchased does not exceed \$2,500.

12

(d) A person who violates this subsection is guilty of a Class I felony, if the value

13

of the scrap metal sold or purchased exceeds \$2,500.

14

(3) No person may sell or purchase metal cemetery merchandise associated

15

with the remains of a veteran, as defined in s. 230.03 (14) (b), if the person knows the

16

metal cemetery merchandise has been stolen. A person who violates this subsection

17

is guilty of a Class I felony.

18

(4) No scrap metal dealer may purchase scrap metal from a seller unless the

19

dealer does all of the following:

20

(a) Verifies the seller's identity using a driver's license, tribal identification

21

card, or other government-issued identification card.

22

(b) Obtains and documents all of the following information:

23

1. The name of the seller.

24

2. The license plate number of the seller's vehicle, if the seller arrived at the

25

dealer's premises in a vehicle.

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

4           4. A description, consistent with the format recommended by the national  
5 institute of scrap recycling industries, of the items purchased from the seller.

6           5. A description of the method the dealer used to pay the seller for the scrap  
7 metal

8           6. A copy of the identification described in par. (a).

9           **(5)** A scrap metal dealer shall retain the information required under sub. (4)  
10 (b) for not less than 3 years after the date of the purchase and shall make the  
11 information available to any law enforcement officer for inspection at any time that  
12 the scrap metal dealer's principal place of business is open to the public or at any  
13 other reasonable time.

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

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

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

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

23           **(7)** This section does not apply to any of the following:

24           (a) Transactions involving only aluminum cans with a total value not exceeding  
25 \$50.

1 (b) Transactions involving a seller that is not an individual.

2 **SECTION 2. Effective date.**

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

5 (END)



**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRBs0149/1dn

CTS:|:....

WLJ

Senator Olsen:

This substitute amendment is the ~~Senate~~ companion to LRBs0137/2.

Christopher T. Sundberg  
Legislative Attorney  
Phone: (608) 266-9739  
E-mail:  
[christopher.sundberg@legis.wisconsin.gov](mailto:christopher.sundberg@legis.wisconsin.gov)

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRBs0149/1dn  
CTS:wlj:nwn

October 10, 2007

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10/17/07 Wanted: Thurs. 10/16/07

State of Wisconsin  
2007 - 2008 LEGISLATURE

LRBs0149/7  
CTS:wjl:wnw

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SENATE SUBSTITUTE AMENDMENT ,  
TO 2007 SENATE BILL 225

Regen

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

*Analysis by the Legislative Reference Bureau*

This substitute amendment regulates the sale and purchase of scrap metal. Under the substitute amendment, 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 substitute amendment, 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 substitute amendment prohibits a scrap metal dealer from purchasing scrap metal unless the dealer verifies the identity of the seller and obtains and documents certain information about the transaction. The substitute amendment requires a dealer to retain the information for not less than three years after the sale and to make the information 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

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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.

The substitute amendment's provisions do not apply to transactions involving only aluminum cans with a total value less than \$50 or to transactions involving sellers that are not individuals.

*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 all of the following:

6 1. **Ferrous** metal purchased primarily for its reuse or recycling value as raw  
7 metal, including metal that is combined with other materials at the time of purchase,  
8 but does not include jewelry, as defined in s. 134.71 (1) (c).

9 2. All of the following, whether composed of ferrous or nonferrous metals:

10 a. Utility access covers.

11 b. Street light poles and fixtures.

12 c. Road and bridge guard rails.

13 d. Highway or street signs.

14 e. Water meter covers.

15 f. Traffic directional and control signs.

16 g. Any metal objects marked with the name of a governmental entity.

17 h. Property owned by, and marked as owned by, a telephone, cable, electric,  
18 water, or other utility, or railroad.

19 i. Historical markers.

1 j. Grave markers and vases.

2 (c) "Scrap metal dealer" means a person engaged in the business of purchasing  
3 and selling scrap metal.

4 (2) (a) For purposes of this subsection, "value" means the cost of replacing an  
5 object sold or purchased in violation of par. (b) with another object substantially  
6 identical, in function and condition, to the object sold or purchased at the time the  
7 object was stolen.

8 (b) No person may sell or purchase scrap metal if the person knows the scrap  
9 metal has been stolen.

10 (c) A person who violates this subsection is subject to a fine not to exceed  
11 \$10,000 or imprisonment not to exceed 9 months or both, if the value of the scrap  
12 metal sold or purchased does not exceed \$2,500.

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

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

19 (4) No scrap metal dealer may purchase scrap metal from a seller unless the  
20 dealer does all of the following:

21 (a) Verifies the seller's identity using a driver's license, tribal identification  
22 card, or other government-issued identification card.

23 (b) Obtains and documents all of the following information:

24 1. The name of the seller.

1           2. The license plate number of the seller's vehicle, if the seller arrived at the  
2 dealer's premises in a vehicle.

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

6           4. A description, consistent with the format recommended by the national  
7 institute of scrap recycling industries, of the items purchased from the seller.

8           5. A description of the method the dealer used to pay the seller for the scrap  
9 metal

10          6. A copy of the identification described in par. (a).

11          **(5)** A scrap metal dealer shall retain the information required under sub. (4)  
12 (b) for not less than 3 years after the date of the purchase and shall make the  
13 information available to any law enforcement officer for inspection at any time that  
14 the scrap metal dealer's principal place of business is open to the public or at any  
15 other reasonable time.

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

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

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

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

25          **(7)** This section does not apply to any of the following:

1 (a) Transactions involving only aluminum cans with a total value not exceeding  
2 \$50.

3 (b) Transactions involving a seller that is not an individual.

4 **SECTION 2. Effective date.**

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

7 (END)

INS 5-3 ✓

**INS 5-3**

(5)  
(8)  
(9)

No political subdivision, other than a city of the first class, may enact an ordinance or adopt a resolution or other restriction for the purpose of regulating the theft of scrap metal unless the ordinance, resolution, or other restriction is identical to or is similar to, but no more stringent than, the provisions of this section.

sale or purchase

**INS A**

Not

The substitute amendment preempts political subdivisions other than cities of the first class from enacting more stringent provisions regulating sales or purchases of scrap metal that are than the provisions of this substitute amendment

that are

