



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2007 Senate Bill 473

Senate Amendments 1 and 2

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2007 Senate Bill 473 requires scrap dealers to create and maintain detailed records regarding the identity of and purchases from persons from whom they buy nonferrous scrap, metal articles, or proprietary articles, as defined in the bill, if the person is not a regular “commercial account” of the scrap dealer, and requires less detailed records regarding the identity of and purchases from commercial accounts.

SENATE AMENDMENT 1

Definitions

The applicability of the bills is largely determined by the definitions of the terms used. Pertinent to Senate Amendment 1 are the following definitions:

“Scrap metal dealer” means a person engaged in the business of buying or selling scrap metal.

“Scrap metal” means a manufactured item that consists of or contains metal; metal removed from or obtained by cutting, demolishing, or disassembling a building, structure, or manufactured item; or other metal that is no longer used for its original purpose and that can be processed for reuse in a mill, foundry, or other manufacturing facility.

“Metal article” means a manufactured item that consists of metal and is usable for its originally intended purpose without processing, repair, or alteration.

Definition of “Metal Article”

The amendment modifies the definition of “metal article” as follows:

- Adds to the definition of “metal article” the qualification that the article is offered for sale for the value of the metal it contains, i.e., is sold for scrap rather than for reuse.
- Explicitly exclude from the definition of “metal article” antique or collectible articles, including jewelry, coins, silverware, and watches.

Definition of “Scrap Metal”

The amendments modify the definition of “scrap metal” by replacing the phrase “a manufactured item that consists of or contains metal” with “a metal article.” This change clarifies the relationship between the definitions of “scrap metal” and “metal article,” and brings into the definition of “scrap metal” the exclusion of articles sold for reuse, including antiques and collectibles, in the definition of “metal article.”

Description of Scrap Bought from a Non-Commercial Account

The **bill** requires that, when purchasing nonferrous scrap, metal articles, or proprietary articles from a person who is not a commercial account, a scrap dealer must record, among other information, the following information regarding the scrap metal purchased:

1. The weight of the scrap or articles.
2. Whether the scrap or articles consist of bars, cable, ingots, rods, tubing, wire, wire scraps, clamps, connectors, pipes, or other appurtenances, or some combination of these.
3. A description of any numbers, letters, or other identifying symbols stamped, engraved, stenciled or otherwise marked on the scrap or articles.
4. Whether the scrap or articles consist of a rail, switch component, spike, angle bar, tie plate, or bolt used to construct railroad track.

The **amendment** deletes the second and fourth items in this list, and replace the third item with the following:

A description of the scrap articles that is consistent with guidelines promulgated by a national recycling industry trade organization.

Records of Purchases From Commercial Accounts

The **bill** requires that, when purchasing nonferrous scrap, metal articles, or proprietary articles from a commercial account, a scrap dealer must record all of the following:

1. The full name of the commercial account.
2. The business address and telephone number of the commercial account.
3. The full names of persons employed by the commercial account who are authorized to deliver nonferrous scrap, metal particles, or proprietary articles to the scrap metal dealer.

4. The time, date, and value of each of the scrap metal dealer's purchases from the commercial account.
5. A description of the predominant types of nonferrous scrap, metal articles, or proprietary articles the scrap dealer has purchased from the commercial account.

The *amendment* replaces the third item in this list with the following:

The name of a contact person at the commercial account who is responsible for the sale of nonferrous scrap, metal articles, or proprietary articles to the scrap metal dealer.

The bill requires that scrap dealers retain some records for a period of two years from the time the record is created and to retain other information for a period of two years after the most recent transaction with the customer. In the *bill*, the item affected by this provision of the amendment is in the first category; because of the change in the nature of the information required, the *amendment* moves it to the second category.

SENATE AMENDMENT 2

The *bill* requires that, when purchasing nonferrous scrap, metal articles, or proprietary articles from a person who is not a commercial account, a scrap dealer must obtain photographic or video images showing the vehicle in which the scrap metal was delivered to the scrap dealer in sufficient detail to identify the vehicle, including capturing the image of the license plate.

Senate Amendment 2 deletes this requirement.

LEGISLATIVE HISTORY

On February 21, 2008, the Senate Committee on Commerce, Utilities, and Rail voted to introduce Senate Amendment 1 and to recommend its adoption on votes of Ayes, 7; and Noes, 0; the committee voted to introduce Senate Amendment 2 on a vote of Ayes, 7; and Noes, 0; and to recommend adoption of Senate Amendment 2 on a vote of Ayes, 6; and Noes, 1; the committee voted to recommend passage of Senate Bill 473, as amended, on a vote of Ayes, 7; and Noes, 0.

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