

JAN 17 2007

A BILL FOR AN ACT

RELATING TO SCRAP DEALERS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the recent
2 widespread theft of copper and other metals from public
3 buildings, private homes, and public infrastructure poses a
4 danger to public health and safety as well as a financial burden
5 to those who must pay to repair the damaged structures. Many
6 times, the stolen metal is sold to scrap dealers, and the funds
7 from these sales are used to support drug habits or other
8 illegal activities.

9 The purpose of this Act is to deter thefts of scrap metal
10 and sales of stolen scrap metal by strengthening the reporting
11 requirements of scrap dealers, creating a recordkeeping
12 requirement on private scrap sales, and increasing the criminal
13 penalty for failing to comply with these requirements.

14 SECTION 2. Section 445-231, Hawaii Revised Statutes, is
15 amended by amending the definitions of "scrap" and "scrap
16 dealer" to read as follows:

17 ""Scrap" means any secondhand or used metal, including but
18 not limited to iron, copper, brass, lead, zinc, tin, steel,



1 aluminum, metallic cables and ropes, wires and other similar
2 materials, except those used motor vehicle parts provided in
3 chapter 289.

4 "Scrap dealer" means any person, firm, partnership,
5 corporation, unincorporated association, or business entity
6 engaged in the business of buying, selling, or dealing in scrap,
7 or any person, firm, partnership, corporation, unincorporated
8 association, or business entity operating, carrying on,
9 conducting, or maintaining a scrap yard."

10 SECTION 3. Section 445-233, Hawaii Revised Statutes, is
11 amended to read as follows:

12 "**§445-233 Statement required.** [~~Every~~] (a) Any scrap
13 dealer, when the scrap dealer purchases scrap within the State,
14 shall require the seller of the scrap to verify the seller's
15 identity by presenting proper identification. Every scrap
16 dealer shall obtain a written statement signed by the seller or
17 the seller's agent certifying that the seller or the seller's
18 agent has the lawful right to sell and dispose of the scrap.
19 This statement shall also contain the seller's name; the
20 seller's driver's license number or state identification card
21 number, if applicable; the seller's business or residence
22 address; the seller's occupation; a description, including



1 serial numbers and other identifying marks, when practical, of
2 every scrap; the amount received by the seller; the date, time
3 and place of the sale; and the license number of any vehicle
4 used to deliver the property to the place of purchase.

5 ~~[The scrap dealer shall require the seller to verify the~~
6 ~~seller's identity by presenting proper identification.]~~

7 The scrap dealer shall keep at the dealer's place of
8 business the signed written statement from the seller for a
9 period of ~~[two]~~ three years after the date of purchase, and the
10 statement may be examined at any time by the treasurer ~~[or the~~
11 ~~chief of police.]~~, the attorney general, the prosecuting
12 attorney of the county that has appropriate jurisdiction, or any
13 member of a police department that has appropriate jurisdiction.

14 (b) Any person who purchases or transports scrap in an
15 amount greater than fifty pounds shall possess a receipt or bill
16 of lading from the individual or business from which the scrap
17 was obtained and shall retain the receipt or bill of lading for
18 a period of three years after the date of obtaining the scrap.
19 The receipt or bill of lading may be examined at any time by the
20 treasurer, the attorney general, the prosecuting attorney of the
21 county that has appropriate jurisdiction, or any member of a
22 police department that has appropriate jurisdiction."



1 SECTION 4. Section 445-235, Hawaii Revised Statutes, is
2 amended to read as follows:

3 **"§445-235 Prohibitions; penalty.** (a) Any [person] scrap
4 dealer who violates [sections] section 445-232 [and] or 445-233,
5 or any person or scrap dealer who falsifies a statement,
6 receipt, or bill of lading required by section 445-233, shall be
7 guilty of a misdemeanor; provided that if, at the time of the
8 offense for which the defendant is being sentenced, the
9 defendant has one or more prior convictions for an offense under
10 this section, the defendant shall be guilty of a class C felony.

11 (b) Any seller who makes a false statement or gives untrue
12 information in furnishing information in selling, offering, or
13 trying to sell scrap shall be guilty of a class C felony.

14 (c) In addition to the criminal penalties provided in this
15 section, any person convicted under this chapter shall pay
16 restitution pursuant to section 706-646.

17 (d) For purposes of this section, "conviction" means a
18 judgment on a verdict or finding of guilty or a plea of guilty
19 or nolo contendere."

20 SECTION 5. This Act does not affect rights and duties that
21 matured, penalties that were incurred, and proceedings that were
22 begun, before its effective date.



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1 SECTION 6. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 7. This Act shall take effect upon its approval.
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INTRODUCED BY: Clarence W. Smith
Bryant K. Cole
Fred Hemminger



Report Title:

Scrap Dealers

Description:

Increases the reporting requirements for sales of scrap to scrap dealers. Introduces a recordkeeping requirement for private scrap sales over 50 pounds. Increases the criminal penalties for failing to comply with these requirements.

