



SPONSOR: Sen. McBride & Rep. Mitchell
Sens. Blevins, Bushweller, Ennis, Hall-Long, Henry,
Hocker, Lawson, Poore, Sokola, Townsend; Reps. Atkins,
Barbieri, Carson, Dukes, J. Johnson, Longhurst, Miro,
Potter, Ramone, Schwartzkopf, Scott, Smyk, Wilson,
Walker

DELAWARE STATE SENATE
147th GENERAL ASSEMBLY

SENATE BILL NO. 63

AN ACT TO AMEND TITLE 24 OF THE DELAWARE CODE RELATING TO PAWNBROKERS, SECONDHAND DEALERS AND SCRAP METAL PROCESSORS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. To amend Section 2302(b)(1) of Title 24 of the Delaware Code by making insertions as shown by underlining and deletions as shown by strike through as follows:

(b)(1). Every scrap metal processor shall create a record and provide information on a form to be supplied by the Delaware State Police or on another form that has been previously approved by the law-enforcement agency having primary jurisdiction over the area in which the scrap metal processor's business is located with respect to the following articles purchased or otherwise acquired.

a. Copper;

b. Silver;

c. Gold;

d. Brass;

e. Platinum;

f. Bronze; ~~or~~

g. Automobiles or automobile parts displaying a vehicle identification number (VIN); or

h. batteries 12 volt or higher.

Section 2. To amend Section 2302, Title 24 of the Delaware Code by making insertions as shown by underlining and deletions as shown by strike through as follows:

g. (1) Articles purchased or otherwise acquired by a Scrap Metal Processor shall be recorded via an electronic image, in either still or video format, and a copy of said image(s) is to be supplied at the specific request of a law enforcement agency, within 24 hours of said request.

(2) The images reference in g(1) above will be kept on file by the Scrap Metal Processor for a minimum of 30 days after the image was recorded.

Section 3. To amend Section 2304(b), Title 24 of the Delaware Code by making insertions as shown by underlining and deletions as shown by strike through as follows:

(b) Every scrap metal processor subject to this chapter must keep for a period of ~~7 days~~ 72 hours from the date and time the item was electronically reported, not including holidays or weekends, all copper, silver, gold or brass articles purchased or received from any person before selling, shipping or otherwise disposing of same, except that there shall be no holding period for articles meeting all of the following criteria:

(1) That are purchased or received from a commercially licensed entity;

(2) That are of the type commonly purchased or received from commercial entities; and

(3) for which payment is made directly to the commercial entity and not to the individual delivering the articles.

(c) Every scrap metal processor which takes in a scrapped or dismantled vehicle without a title must have the vehicle cleared by a Delaware State Police auto theft technician before the vehicle is scrapped, dismantled, or altered in any way.

~~(e)~~ (d) Such holding periods are not applicable when the person from whom the goods were acquired or pledged desires to redeem, repurchase, or recover the goods, provided the dealer or pawnbroker can produce the record of the original transaction with verification that the customer is the person from whom the goods were originally acquired.

~~(d)~~ (e) A pawnbroker, secondhand dealer, or scrap metal processor shall not destroy, disfigure or obliterate identification marks or cause the identity of an article to otherwise be destroyed so long as the article continues to be in that person's possession.

~~(e)~~ (f) Law-enforcement officers may require that an item be held for an additional 30 days beyond the requirements of subsection (a) of this section if they know or have reason to believe that the property is missing or stolen.

Section 4. To amend Section 2307 of Title 24 of the Delaware Code by making insertions as shown by underlining to read:

(c) A Scrap Metal Processor may not purchase a catalytic converter from an individual unless the individual, at the time of purchase, provides identification as:

1. a licensed automotive dismantler and recycler or scrap metal processor; or
2. an agent or employee of a licensed commercial enterprise.

48 (d) A Scrap Metal Processor may not purchase the following items from an individual, at the
49 time of purchase, provides appropriate authorization from a relevant business or unit of federal, State, or local government
50 specifically authorizing the individual to conduct the transaction.

- 51 1. metal bleachers;
- 52 2. hard-drawn copper;
- 53 3. metal beer kegs;
- 54 4. cemetery urns;
- 55 5. grave markers;
- 56 6. materials related to railroad infrastructure; and
- 57 7. any other used articles owned by a public utility including:
 - 58 a. guardrails;
 - 59 b. manhole covers;
 - 60 c. metal light poles;
 - 61 d. tree grates;
 - 62 e. water meters; and
 - 63 f. street signs.

SYNOPSIS

The Delaware State Police regulate scrap metal processors by requiring them to be licensed and to report electronically the receipt of certain articles which may turn out to be stolen so that they can be recovered by law enforcement agencies and returned to their lawful owner. This amendment more closely conforms the scope of the reporting requirement to the statutory definition of a scrap metal processor. *See 24 Delaware Code §2301(6)*. This amendment will subject automotive dismantlers, or junkyards, to additional electronic reporting requirements and amended industry specific procedures. The Division of Motor Vehicles will also be able research the electronic industry submission to track scrapped or salvaged vehicles to potentially issue new title and put them back on the street. The proposed changes to Chapter 23 of Title 24 will now additionally enhance the Prohibited Transactions section further assisting the scrap metal industry by reducing the amount of stolen property thieves attempt to sell.

Author: Senator McBride