

Legislative Analysis



SECOND HAND AND JUNK DEALERS

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House Bill 5694

Sponsor: Rep. Terry Brown

Committee: Commerce

Complete to 4-14-08

A SUMMARY OF HOUSE BILL 5694 AS INTRODUCED 2-6-08

The bill would amend Public Act 350 of 1917 (MCL 445.404), which regulates second hand dealers and junk dealers, to require a dealer to make a copy of the driver license, chauffeur license, or state identification card of a person from whom the dealer received or purchased an article and include it in the book or record the dealer must maintain on purchases and exchanges.

Currently, the book or record must contain the operator or chauffeur license number or state identification card number, along with the name, description, fingerprint, registration plate number, and address of the customer.

The bill would also allow the book or record to be an electronic record.

Currently, it is a felony for a second hand or junk dealer to buy or sell stolen scrap metal unlawfully removed from a utility pole, telecommunication company property, government property, or utility property or jobsite. House Bill 5694 would add scrap metal unlawfully removed from an irrigation system or agricultural machinery.

The dealer must make records available to local law enforcement each week. House Bill 5694 would also require the dealer to make available a copy of the required documentation (copy of the driver license, etc.) about the person from whom articles were purchased, in a manner acceptable to local law enforcement.

FISCAL IMPACT:

The bill would have no fiscal impact on the Department of Labor and Economic Growth. Making records available to local units of government electronically could result in some administrative cost savings for local units, to the extent local units have not already enacted ordinances allowing such information to be maintained and submitted electronically. (The City of Kalamazoo, for example, enacted an ordinance in January 2007 allowing electronic filing of records by secondhand junk dealers; see Kalamazoo City Code §24-6.) The bill also adds a penal fine of up to \$10,000 for secondhand and junk dealers who buy or sell stolen scrap metal removed from an irrigation system or other agricultural machinery. All such revenue is credited to public libraries.

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