

SCRAP METAL REGULATORY ACT (EXCERPT)
Act 429 of 2008

445.423 Definitions.

Sec. 3. As used in this act:

- (a) "Ferrous metal" means a metal that contains significant quantities of iron or steel.
- (b) "First purchaser" means the first buyer of a manufactured item that contains ferrous or nonferrous metal in a retail or business-to-business transaction. A person that purchases scrap metal, or other property described in section 10, in violation of this act, or an automotive recycler, pawnshop, scrap metal recycler, or scrap processor is not considered a first purchaser.
- (c) "Governmental unit" means a subdivision, agency, department, county, parish, municipality, or other unit of the government of the United States, this state, another state, or a foreign country.
- (d) "Industrial or commercial customer" means a person that operates from a fixed location and is a seller of scrap metal to a scrap metal dealer under a written agreement that provides for regular or periodic sale, delivery, purchase, or receiving of scrap metal.
- (e) "Nonferrous metal" means a metal that does not contain significant quantities of ferrous metal but contains copper, brass, platinum group-based metals, aluminum, bronze, lead, zinc, nickel, or alloys of those metals.
- (f) "Person" means an individual, partnership, corporation, limited liability company, joint venture, trust, association, or other legal entity.
- (g) "Public fixture" means an item that contains ferrous or nonferrous metal and is owned or under the exclusive control of a governmental unit. The term includes, but is not limited to, a street light pole or fixture, road or bridge guardrail, traffic sign, traffic light signal, or historical marker.
- (h) "Purchase transaction" means a purchase of scrap metal, or the purchase of property described in section 10 if the knowing purchase or offer to purchase that property is not prohibited by that section, by a scrap metal dealer. The term does not include any of the following:
 - (i) The purchase of 1 or more used or secondhand, distressed, or salvage vehicles or vehicle parts by a used or secondhand vehicle dealer or used or secondhand vehicle parts dealer that is licensed as a dealer under section 248 of the Michigan vehicle code, 1949 PA 300, MCL 257.248, and is acting within the scope of that dealer's license.
 - (ii) The purchase of 1 or more used or secondhand, distressed, or salvage vehicles, vehicle parts, or vehicle scrap by a vehicle scrap metal processor, vehicle salvage pool operator, or foreign salvage vehicle dealer that is licensed as a dealer under section 248 of the Michigan vehicle code, 1949 PA 300, MCL 257.248, and is acting within the scope of that dealer's license.
 - (iii) The purchase of 1 or more used or secondhand, distressed, or salvage vehicles, vehicle parts, or vehicle scrap by an automotive recycler that is licensed as a dealer under section 248 of the Michigan vehicle code, 1949 PA 300, MCL 257.248, if the transaction is authorized under section 217c of the Michigan vehicle code, 1949 PA 300, MCL 257.217c; section 18 of the motor vehicle service and repair act, 1974 PA 300, MCL 257.1318; or section 2 of 1986 PA 119, MCL 257.1352.
 - (iv) The purchase of scrap metal by a mill, foundry, die caster, or other manufacturing facility that purchases scrap metal from an industrial or commercial customer for its own use in the production of metal articles or materials and does not in the ordinary course of its business purchase scrap metal for resale.
 - (v) The purchase of scrap metal from a governmental unit.
- (i) "Record" means a paper, electronic, or other generally accepted method of storing information in a retrievable form.
- (j) "Scale operator" means the employee of a scrap metal dealer who operates or attends a scale that is used to weigh the scrap metal in a purchase transaction.
- (k) "Scrap metal" means ferrous or nonferrous metal, or items that contain ferrous or nonferrous metal, that are sold or offered for sale for the value of the ferrous or nonferrous metal they contain rather than their original intended use; ferrous or nonferrous metal removed from or obtained by cutting, demolishing, or disassembling a building, structure, or manufactured item; or other metal that cannot be used for its original intended purpose but can be processed for reuse in a mill, foundry, die caster, or other manufacturing facility.
- (l) "Scrap metal dealer" means a person or governmental unit that buys scrap metal and is not a first purchaser. The term includes, but is not limited to, a person, whether or not licensed under state law or local ordinance, that operates a business as a scrap metal recycler, scrap processor, secondhand and junk dealer, or other person that purchases any amount of scrap metal on a regular, sporadic, or 1-time basis.
- (m) "Scrap metal recycler" means a person that purchases ferrous or nonferrous metal that is intended for recycling or reuse, whether regarded as a scrap processor, core buyer, or other similar business operation.

(n) "Scrap processor" means that term as defined in section 3 of 1917 PA 350, MCL 445.403.

(o) "Seller" means a person that either regularly, sporadically, or on a 1-time basis receives consideration from any other person from the purchase by a scrap metal dealer of scrap metal offered by that seller.

History: 2008, Act 429, Eff. Apr. 1, 2009;—Am. 2014, Act 99, Eff. July 1, 2014.