

SCRAP METAL REGULATORY ACT (EXCERPT)
Act 429 of 2008

445.427 Record of purchase transaction; preparation and maintenance; duration; location; availability for inspection; contents; exception; use of electronic record-keeping system.

Sec. 7. (1) Subject to subsection (4), and except as otherwise provided in this section, a scrap metal dealer shall prepare and maintain a separate, accurate, and legible record of each purchase transaction. The dealer shall maintain the records described in this section for at least 1 year; the dealer shall keep the records in a location that is readily accessible to a local, state, or federal law enforcement agency, or to railroad police in investigation of stolen railroad property, for inspection during normal business hours; and the dealer shall make the records, or copies of those records, available on request to any local, state, or federal law enforcement agency.

(2) The record of a purchase transaction described in subsection (1) must include all of the following:

(a) The name and address of the seller and the name and address of the individual who is delivering the scrap metal if he or she is not the seller. If an individual is a seller or representative of a seller in more than 1 purchase transaction, the scrap metal dealer may retain a copy of the individual's information or document described in this subdivision in a separate file and use that information in future purchase transactions.

(b) The name, address, and identifying number from the identification presented under section 5(2)(a). A legible scan or photocopy of the identification meets the requirement of this subdivision. If an individual is a seller or representative of a seller in more than 1 purchase transaction, the scrap metal dealer may retain a copy of the information or document described in this subdivision in a separate file and use that information in future purchase transactions.

(c) If the scrap metal is delivered by licensed vehicle, the license plate number of the vehicle.

(d) The date and time of the purchase transaction.

(e) A description of the predominant types of scrap metal purchased, made in accordance with the custom of the trade.

(f) The weight, quantity, or volume of the scrap metal purchased, described and calculated in accordance with the custom of the trade; the name of the scale operator who weighs and inspects that property; and the name of the employee of the scrap metal dealer who purchased or authorized the purchase of the scrap metal on the dealer's behalf if the purchaser was not the scale operator.

(g) A photograph or digital, electronic, or video image of the scrap metal purchased. A photograph or digital, electronic, or video image that meets 1 of the following is sufficient for purposes of this subdivision even if each item of scrap metal is not shown in the image:

(i) If the scrap metal and the vehicle in which it is delivered are weighed, an overhead photograph or image of the vehicle and the scrap metal in the vehicle on the scale.

(ii) If only the scrap metal is weighed, a photograph or image of the scrap metal on the scale.

(h) The consideration paid and the method of payment.

(i) The signed statement described in section 5(2)(c).

(j) A legible thumbprint described in section 5(2)(b).

(k) A digital photograph of the seller, or the individual who is delivering the scrap metal if he or she is not the seller, that includes his or her face and is taken at the time the scrap metal is delivered to the scrap metal dealer.

(3) A scrap metal dealer is not required to obtain the information described in subsection (2) for a purchase transaction with an industrial or commercial customer that meets all of the following:

(a) Payment is made directly to the industrial or commercial customer.

(b) The personal and business identifying information of the industrial or commercial customer is on file with the scrap metal dealer and conforms to a written description of the type of scrap metal customarily purchased by the scrap metal dealer from that customer.

(c) The information on file with the scrap metal dealer under subdivision (b) is periodically reviewed at least every 2 years and validated as current or updated by the scrap metal dealer.

(4) A scrap metal dealer may utilize an electronic record-keeping system for purposes of subsection (1) if that system allows for immediate access to each seller's purchase transaction activities, documents, and images, including, but not limited to, electronic copies of the records described in subsection (2) or (3), the payment information contained in the card or receipt, and the image described in section 5(1)(a)(i) or (ii).

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