

SENATE BILL NO. 235—SENATORS PARKS, ATKINSON, SEGERBLOM,
SPEARMAN; MANENDO AND WOODHOUSE (BY REQUEST)

MARCH 11, 2013

JOINT SPONSORS: ASSEMBLYMEN GRADY,
HARDY, KIRNER, MARTIN AND MUNFORD

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Authorizes a local law enforcement agency to establish or utilize an electronic reporting system to receive information relating to purchases of scrap metal. (BDR 54-869)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to scrap metal; authorizing a local law enforcement agency to establish or utilize an electronic reporting system to receive information relating to purchases of scrap metal; requiring, under certain circumstances, a scrap metal processor to submit electronically to a local law enforcement agency or certain third parties certain information relating to certain purchases of scrap metal; requiring the Division of Industrial Relations of the Department of Business and Industry to adopt regulations relating to the confidentiality of reported information; revising provisions relating to certain records maintained by scrap metal processors; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

- 1 Existing law provides certain restrictions on the sale and purchase of scrap
- 2 metal in this State and requires scrap metal processors to maintain certain records
- 3 of purchases of scrap metal. (NRS 647.092-647.098) **Section 1.3** of this bill
- 4 authorizes a local law enforcement agency to establish an electronic reporting
- 5 system or utilize an existing electronic reporting system to receive certain



information relating to scrap metal purchases within the jurisdiction of the law enforcement agency. **Section 1.3** requires that the system be electronically secure and accessible only to: (1) a scrap metal processor for the purpose of submitting certain information; (2) an officer of the local law enforcement agency; and (3) an authorized employee of any third party that the local law enforcement agency contracts with for the purpose of receiving and storing the information submitted by a scrap metal processor. If a local law enforcement agency establishes an electronic reporting system or utilizes an existing electronic reporting system, **section 1.3** requires a scrap metal processor to submit electronically to the local law enforcement agency or, if applicable, any third party that the local law enforcement agency has contracted with, certain information relating to each purchase of scrap metal from certain persons. **Section 1.3** further requires the Division of Industrial Relations of the Department of Business and Industry to adopt certain regulations providing for the confidential maintenance of reported information and the oversight of designated third parties that may contract with a law enforcement agency to receive and maintain such information.

Section 2 of this bill revises provisions relating to the acceptable forms of personal identification which a scrap metal processor may accept for the purpose of maintaining certain records relating to purchases of scrap metal.

Section 1.5 of this bill provides that a person is immune from any civil liability for any action taken with respect to carrying out the provisions of this bill, so long as such actions are taken in good faith and without malicious intent.

Section 1.7 of this bill requires a person in whose possession the information required to be submitted to a local law enforcement agency is held to keep the information confidential. **Section 1.7** also provides that a person who knowingly and willfully violates this requirement is guilty of a gross misdemeanor.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 647 of NRS is hereby amended by adding thereto the provisions set forth as sections 1.3, 1.5 and 1.7 of this act.

Sec. 1.3. 1. *A local law enforcement agency may establish an electronic reporting system or utilize an existing electronic reporting system to receive information relating to the purchase of scrap metal by a scrap metal processor that transacts business within the jurisdiction of the local law enforcement agency. An electronic reporting system established or utilized pursuant to this subsection must:*

(a) Be electronically secure and accessible only to:

(1) A scrap metal processor for the purpose of submitting the information required by subsection 2;

(2) An officer of the local law enforcement agency; and

(3) If applicable, an authorized employee of any designated third party.

(b) Provide for the electronic submission of information by a scrap metal processor.



2. If a local law enforcement agency establishes an electronic reporting system or utilizes an existing electronic reporting system pursuant to subsection 1, each scrap metal processor that transacts business within the jurisdiction of the local law enforcement agency shall, before 12 p.m. of each business day, submit electronically to the local law enforcement agency or, if applicable, a designated third party the following information regarding each purchase of scrap metal conducted on the preceding day from a person who sold the scrap metal in his or her individual capacity:

(a) The name of the seller;

(b) The date of the purchase;

(c) The name of the person or employee who conducted the transaction on behalf of the scrap metal processor;

(d) The name, street, house number and date of birth listed on the identification provided pursuant to paragraph (c) of subsection 1 of NRS 647.094 and a physical description of the seller, including the seller's gender, height, eye color and hair color;

(e) The license number and general description of any vehicle that delivered the scrap metal;

(f) The description of the scrap metal recorded pursuant to paragraph (h) of subsection 1 of NRS 647.094; and

(g) The amount, in weight, of scrap metal purchased.

3. If a scrap metal processor is required to submit information to a local law enforcement agency or, if applicable, a designated third party pursuant to subsection 2, the scrap metal processor shall display prominently at the point of purchase a public notice, in a form approved by the local law enforcement agency, describing the information that the scrap metal processor is required to submit electronically to the local law enforcement agency or, if applicable, the designated third party.

4. Nothing in this section shall be deemed to limit or otherwise abrogate any duty of a scrap metal processor to maintain a book or other permanent record of information pursuant to NRS 647.094.

5. If a local law enforcement agency establishes an electronic reporting system or utilizes an existing electronic reporting system to receive information pursuant to this section, the local law enforcement agency shall, on or before January 15 of each odd-numbered year, submit to the Director of the Legislative Counsel Bureau for transmittal to the Legislature a report regarding the effect of the electronic reporting system on the incidence of crime which relates to the sale or purchase of scrap metal within the jurisdiction of the law enforcement agency.



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6. *The provisions of this section do not apply to the purchase of scrap metal from a business entity.*

7. *The Division of Industrial Relations of the Department of Business and Industry shall, in consultation with representatives from local law enforcement agencies in this state and representatives from the scrap metal industry, adopt regulations to ensure the confidentiality of information which is reported and maintained pursuant to this section, including, without limitation, regulations providing for:*

(a) *The confidentiality of consumer information;*

(b) *The confidentiality of proprietary information;*

(c) *Equity of input into contractual terms;*

(d) *Contractual terms relating to disclaimers, indemnification and the ownership of data by a designated third party;*

(e) *Oversight of a designated third party that handles, maintains or has access to such information, including, without limitation, the qualifications, equipment, procedures and background checks required of a designated third party;*

(f) *The manner in which reported information may be used, shared or disseminated; and*

(g) *The maintenance of reported information in relationship to other data maintained by a law enforcement agency.*

8. *As used in this section, "designated third party" means any person with whom a local law enforcement agency has entered into a contract for the purpose of receiving and storing any information required to be submitted electronically by a scrap metal processor pursuant to subsection 2.*

Sec. 1.5. *A person is immune from any civil liability for any action taken in good faith and without malicious intent in carrying out the provisions of NRS 647.094 or section 1.3 of this act.*

Sec. 1.7. *1. Except as otherwise required pursuant to section 1.3 of this act, any information concerning the purchase of scrap metal, as described in NRS 647.094 and section 1.3 of this act, must be kept confidential by the person in whose possession such information is held.*

2. A person who knowingly and willfully violates subsection 1 is guilty of a gross misdemeanor.

Sec. 2. *NRS 647.094 is hereby amended to read as follows:*

647.094 1. Every scrap metal processor shall maintain in his or her place of business a book or other permanent record in which must be made, at the time of each purchase of scrap metal, a record of the purchase that contains:

(a) *The date of the purchase.*

(b) *The name or other identification of the person or employee conducting the transaction on behalf of the scrap metal processor.*



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- 1 (c) A copy of the seller's valid ~~personal~~ :
2 (1) *Personal* identification card ~~for valid driver's~~ *issued by*
3 *this State or any other state or territory of the United States;*
4 (2) *Driver's* license issued by ~~ta~~ *this State or any other* state
5 ~~for a copy of the seller's valid~~ *or territory of the United States;*
6 (3) United States military identification card ~~H~~ ; or
7 (4) *Any form of identification which may serve as an*
8 *acceptable form of identification pursuant to NRS 237.200.*
9 (d) The name, street, house number and date of birth listed on
10 the identification provided pursuant to paragraph (c) and a physical
11 description of the seller, including the seller's gender, height, eye
12 color and hair color.
13 (e) A photograph, video record or digital record of the seller.
14 (f) The fingerprint of the right index finger of the seller. If the
15 seller's right index finger is not available, the scrap metal processor
16 must obtain the fingerprint of one of the seller's remaining fingers
17 and thumbs.
18 (g) The license number and general description of the vehicle
19 delivering the scrap metal that is being purchased.
20 (h) A description of the scrap metal that is being purchased
21 which is consistent with the standards published and commonly
22 applied in the scrap metal industry.
23 (i) The price paid by the scrap metal processor for the scrap
24 metal.
25 2. All records kept pursuant to subsection 1 must be legibly
26 written in the English language, if applicable.
27 3. A scrap metal processor shall document each purchase of
28 scrap metal with a photograph or video recording which must be
29 retained on-site for not less than 60 days after the date of the
30 purchase.
31 4. All scrap metal purchased by the scrap metal processor and
32 the records created in accordance with subsection 1, including, but
33 not limited to, any photographs or video recordings, must at all
34 times during ordinary hours of business be open to the inspection of
35 a prosecuting attorney or any peace officer.

