

The House Committee on Judiciary Non-Civil offers the following substitute to SB 591:

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 14 of Chapter 1 of Title 10 of the Official Code of Georgia Annotated,
2 relating to secondary metals recyclers, so as to provide definitions; to provide that it shall be
3 illegal to receive, dispose of, or retain a used, detached catalytic converter, or any nonferrous
4 parts of a catalytic converter, which was stolen; to provide for penalties; to regulate and limit
5 the payment allowed by secondary metals recyclers; to provide for an exception; to provide
6 for related matters; to provide for an effective date and applicability; to repeal conflicting
7 laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **PART ONE**
10 **SECTION 1-1.**

11 Article 14 of Chapter 1 of Title 10 of the Official Code of Georgia Annotated, relating to
12 secondary metals recyclers, is amended by revising Code Section 10-1-350, relating to
13 definitions, as follows:

14 "10-1-350.

15 As used in this article, the term:

S. B. 591 (SUB)

16 (1) 'Aluminum property' means aluminum forms designed to shape concrete.

17 (2) 'Burial object' means any product manufactured for or used for identifying or
18 permanently decorating a grave site, including, without limitation, monuments, markers,
19 benches, and vases and any base or foundation on which they rest or are mounted.

20 (3) 'Business license' means a business license, an occupational tax certificate, and other
21 document required by a county or municipal corporation and issued by the appropriate
22 agency of such county or municipal corporation to engage in a profession or business.

23 (4) 'Coil' means any copper, aluminum, or aluminum-copper condensing coil or
24 evaporation coil including its tubing or rods. The term shall not include coil from a
25 window air-conditioning system, if contained within the system itself, or coil from an
26 automobile condenser.

27 (5) 'Copper property' means any copper wire, copper tubing, copper pipe, or any item
28 composed completely of copper.

29 (6) 'Copper wire' means any wire, cables, bus bars, or waveguides containing any portion
30 of copper, whether or not coated with insulation.

31 ~~(6)~~(7) 'Deliverer' means any individual who takes or transports the regulated metal
32 property to the secondary metals recycler.

33 ~~(7)~~(8) 'Ferrous metals' means any metals containing significant quantities of iron or steel.

34 ~~(8)~~(9) 'Law enforcement officer' means any duly constituted peace officer of the State
35 of Georgia or of any county, municipality, or political subdivision thereof.

36 ~~(9)~~(10) 'Nonferrous metals' means stainless steel beer kegs and metals not containing
37 significant quantities of iron or steel, including, without limitation, copper, brass,
38 aluminum, bronze, lead, zinc, nickel, and alloys thereof.

39 ~~(10)~~(11) 'Person' means an individual, partnership, corporation, joint venture, trust,
40 association, or any other legal entity.

41 ~~(11)~~(12) 'Personal identification card' means a current and unexpired driver's license or
42 identification card issued by the Department of Driver Services or a similar card issued

43 by another state, a military identification card, or a current work authorization issued by
44 the federal government, which shall contain the individual's name, address, and
45 photograph.

46 ~~(12)~~(13) 'Purchase transaction' means a transaction in which the secondary metals
47 recycler gives consideration in exchange for regulated metal property.

48 ~~(13)~~(14) 'Regulated metal property' means any item composed primarily of any ferrous
49 metals or nonferrous metals and includes aluminum property, copper property, and
50 catalytic converters but shall not include aluminum beverage containers, used beverage
51 containers, or similar beverage containers.

52 ~~(14)~~(15) 'Secondary metals recycler' means any person who is engaged, from a fixed
53 location or otherwise, in the business in this state of paying compensation for regulated
54 metal property that has served its original economic purpose, whether or not engaged in
55 the business of performing the manufacturing process by which regulated metal property
56 is converted into raw material products consisting of prepared grades and having an
57 existing or potential economic value.

58 ~~(15)~~(16) 'Seller' means the rightful owner of the regulated metal property or the
59 individual authorized by the rightful owner of the regulated metal property to conduct the
60 purchase transaction.

61 (17) 'Used communications copper' means utility-grade copper that is commonly used
62 by a lawful provider of communications services for providing communications services,
63 including, without limitation, utility-grade wires or cables, bus bars, and waveguides.

64 (18) 'Used utility wire' means any wire or cable containing aluminum or copper, or any
65 ferrous metals or other nonferrous metals, that is commonly used by a utility that
66 provides electric or telecommunications service."

SECTION 1-2.

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68 Said article is further amended by adding a new subsection to Code Section 10-1-351,
69 relating to verifiable documentation required, to read as follows:

70 "(d)(1) As used in this subsection, the term 'used, detached catalytic converter' means
71 motor vehicle exhaust system parts that are used for controlling the exhaust emissions
72 from motor vehicles and that contain a catalyst metal, but shall not include a catalytic
73 converter that has been tested, certified, and labeled for reuse in accordance with
74 applicable United States Environmental Protection Agency Clean Air Act regulations, as
75 may from time to time be amended.

76 (2) A person commits the offense of unlawful possession of a catalytic converter when
77 he or she receives, disposes of, or retains a used, detached catalytic converter, or any
78 nonferrous parts of a catalytic converter, which he or she knows or should know was
79 stolen unless such catalytic converter or catalytic converter parts were received, disposed
80 of, or retained with the intent to restore the catalytic converter or catalytic converter parts
81 to the owner thereof. As used in this paragraph, 'receiving' means acquiring possession
82 or control or lending on the security of the property.

83 (3) It shall be unlawful for any person to purchase or to solicit or advertise for the
84 purchase of a used, detached catalytic converter, or any nonferrous parts of a catalytic
85 converter, unless such person is a registered secondary metals recycler in accordance with
86 Code Section 10-1-359.1 and in full compliance with all requirements prescribed by this
87 article.

88 (4) In any prosecution under this subsection, it shall not be necessary to show a
89 conviction of the principal thief.

90 (5) A person who violates the provisions of this subsection shall, upon conviction
91 thereof, be punished in the same manner as a violation of Code Section 16-8-7."

SECTION 1-3.

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Said article is further amended by revising subsection (a) of Code Section 10-1-353, relating to record of transaction, false statements, and penalty for making false statement, as follows:

"(a) Except as provided in subsection (c), a secondary metals recycler shall maintain a legible record of all purchase transactions. Such record shall include the following information:

- (1) The name and address of the secondary metals recycler;
- (2) The date of the transaction;
- (3) The weight, quantity, or volume and a description of the type of regulated metal property purchased in a purchase transaction. For purposes of this paragraph, the term 'type of regulated metal property' shall include a general physical description, such as wire, tubing, extrusions, or castings;
- (4) A digital photograph or photographs or a digital video image or images of the regulated metal property which shows the regulated metal property in a reasonably clear manner;
- (5) The amount of consideration given in a purchase transaction for the regulated metal property and a copy of the check or voucher or documentation evidencing the cash or electronic funds transfer given as consideration for such purchase transaction;
- (6) A signed statement from the seller stating that such person is the rightful owner of the regulated metal property or has been authorized to sell the regulated metal property being sold;
- (7) A signed statement from the seller stating that he or she understands that: 'A secondary metals recycler is any person who is engaged, from a fixed location or otherwise, in the business in this state of paying compensation for regulated metal property that has served its original economic purpose, whether or not engaged in the business of performing the manufacturing process by which regulated metal property is converted into raw material products consisting of prepared grades and having an existing

119 or potential economic value. No ferrous metals, nonferrous metals, aluminum property,
120 copper property, or catalytic converters (aluminum beverage containers, used beverage
121 containers, or similar beverage containers are exempt) may be purchased by a secondary
122 metals recycler unless such secondary metals recycler is registered pursuant to Article 14
123 of Chapter 1 of Title 10 of the Official Code of Georgia Annotated';

124 (8) A scanned or photocopied copy of a valid personal identification card of the seller
125 and of the deliverer, if such person is different from the seller;

126 (9) The type of and distinctive number from the personal identification card of the seller
127 and of the deliverer, if such person is different from the seller;

128 (10) The name and date of birth of the seller and of the deliverer, if such person is
129 different from the seller;

130 (11) A photograph, videotape, or digital recording depicting a recognizable facial image
131 of the seller and of the deliverer, if such person is different from the seller, employing
132 technology allowing the image to be retained in electronic storage and in a transferable
133 format;

134 (12) The vehicle license tag number or vehicle identification number, state of issue, and
135 the make, model, and color of the vehicle used to deliver the regulated metal property to
136 the secondary metals recycler; and

137 (13) A scanned or photocopied copy of the verifiable documentation, reports, licenses,
138 certificates, and registrations required pursuant to Code Sections 10-1-351 and 10-1-352."

139 **SECTION 1-4.**

140 Said article is further amended by revising Code Section 10-1-355, relating to conditions and
141 limitations on payments for regulated metal property and exception for transaction between
142 business entities, as follows:

143 "10-1-355.

144 (a) A secondary metals recycler shall pay only by check, electronic funds transfer, cash,
145 or voucher for regulated metal property and shall make any such payment as specifically
146 provided for in this Code section.

147 (b) Any check, electronic funds transfer, or voucher shall be payable only to the person
148 recorded as the seller of the regulated metal property to the secondary metals recycler.

149 (c) Any voucher shall be provided to the seller at the time of the purchase transaction or
150 mailed to the seller at the address indicated on the personal identification card of the seller
151 presented at the time of such transaction. If the voucher is provided to the seller at the time
152 of the purchase transaction and not mailed to the seller, the secondary metals recycler shall
153 not redeem the voucher for three days from the date of the purchase transaction. The
154 voucher shall include the date of purchase, name of the seller, the amount paid for the
155 regulated metal property, a detailed description of the regulated metal property purchased,
156 information as to whether the voucher was mailed or provided at the time of the purchase
157 transaction, the first date on which the voucher may be redeemed, and the date on which
158 the voucher expires. The voucher may only be redeemed for cash by the person whose
159 name appears on the voucher as the seller or by such person's heirs or legal representative.
160 If a voucher is not redeemed by the person whose name appears on the voucher as the seller
161 or by such person's heirs or legal representative within six months of the date of the
162 transaction, the voucher shall expire and the secondary metals recycler shall not be required
163 to honor the voucher after the expiration date.

164 (d) A secondary metals recycler shall not:

165 (1) Pay to any seller more than \$100.00 in cash for any transaction, limited to two
166 transactions per seller, per day, per registered secondary metals recycler location;

167 (2) Pay cash to any seller for catalytic converters or coils as defined in Code
168 Section 10-1-350;

169 (3) Pay cash to any seller for used utility wire;

170 (4) Pay cash to any seller for used communications copper;

171 (5) Pay cash to any seller for copper wire; or

172 (6) Pay cash to any seller for a battery.

173 ~~(d)~~(e) A secondary metals recycler shall be prohibited from: (1) redeeming or cashing any
174 check or electronic funds transfer paid to a seller for regulated metal property; and (2)
175 providing or permitting any mechanism on the premises of the secondary metals recycler
176 for the redemption or cashing of any check or electronic funds transfer.

177 ~~(e)~~(f) The provisions of this Code section shall not apply to any transaction, other than a
178 transaction related to catalytic converters, between business entities."

179 **SECTION 1-5.**

180 Said article is further amended by revising Code Section 10-1-358, relating to purchases of
181 regulated metal property exempted from application of article, as follows:

182 "10-1-358.

183 This article shall not apply to purchases of regulated metal property, other than catalytic
184 converters, from:

185 (1) Organizations, corporations, or associations registered with the state as charitable,
186 philanthropic, religious, fraternal, civic, patriotic, social, or school-sponsored
187 organizations or associations or from any nonprofit corporations or associations;

188 (2) A law enforcement officer acting in an official capacity;

189 (3) A trustee in bankruptcy, executor, administrator, or receiver who has presented proof
190 of such status to the secondary metals recycler;

191 (4) Any public official acting under judicial process or authority who has presented proof
192 of such status to the secondary metals recycler;

193 (5) A sale on the execution, or by virtue, of any process issued by a court if proof thereof
194 has been presented to the secondary metals recycler; or

195 (6) A manufacturing, industrial, or other commercial vendor that generates ~~or~~ and sells
196 regulated metal property in the ordinary course of its business, provided that such vendor
197 is not a secondary metals recycler.”

198 **PART TWO**
199 **SECTION 2-1.**

200 Article 14 of Chapter 1 of Title 10 of the Official Code of Georgia Annotated, relating to
201 secondary metals recyclers, is amended by revising Code Section 10-1-355, relating to
202 conditions and limitations on payments for regulated metal property and exception for
203 transaction between business entities, as follows:

204 "10-1-355.

205 (a) A secondary metals recycler shall pay only by check, electronic funds transfer, ~~cash,~~
206 or voucher for regulated metal property ~~and shall make any such payment as specifically~~
207 ~~provided for in this Code section.~~

208 (b) Any check, electronic funds transfer, or voucher shall be payable only to the person
209 recorded as the seller of the regulated metal property to the secondary metals recycler.

210 (c) Any voucher shall be provided to the seller at the time of the purchase transaction or
211 mailed to the seller at the address indicated on the personal identification card of the seller
212 presented at the time of such transaction. If the voucher is provided to the seller at the time
213 of the purchase transaction and not mailed to the seller, the secondary metals recycler shall
214 not redeem the voucher for three days from the date of the purchase transaction. The
215 voucher shall include the date of purchase, name of the seller, the amount paid for the
216 regulated metal property, a detailed description of the regulated metal property purchased,
217 information as to whether the voucher was mailed or provided at the time of the purchase
218 transaction, the first date on which the voucher may be redeemed, and the date on which
219 the voucher expires. The voucher may only be redeemed for cash by the person whose

220 name appears on the voucher as the seller or by such person's heirs or legal representative.
221 If a voucher is not redeemed by the person whose name appears on the voucher as the seller
222 or by such person's heirs or legal representative within six months of the date of the
223 transaction, the voucher shall expire and the secondary metals recycler shall not be required
224 to honor the voucher after the expiration date.

225 ~~(d) A secondary metals recycler shall not:~~

226 ~~(1) Pay to any seller more than \$100.00 in cash for any transaction, limited to two~~
227 ~~transactions per seller, per day, per registered secondary metals recycler location;~~

228 ~~(2) Pay cash to any seller for catalytic converters or coils as defined in Code~~
229 ~~Section 10-1-350;~~

230 ~~(3) Pay cash to any seller for used utility wire;~~

231 ~~(4) Pay cash to any seller for used communications copper;~~

232 ~~(5) Pay cash to any seller for copper wire; or~~

233 ~~(6) Pay cash to any seller for a battery.~~

234 ~~(e)(d)~~ A secondary metals recycler shall be prohibited from: (1) redeeming or cashing any
235 check or electronic funds transfer paid to a seller for regulated metal property; and (2)
236 providing or permitting any mechanism on the premises of the secondary metals recycler
237 for the redemption or cashing of any check or electronic funds transfer.

238 ~~(f)(e)~~ The provisions of this Code section shall not apply to any transaction, ~~other than a~~
239 ~~transaction related to catalytic converters,~~ between business entities."

240 **PART THREE**

241 **SECTION 3-1.**

242 Parts One and Three of this Act shall become effective on July 1, 2022, and shall apply to
243 all transactions occurring on and after such date. Part Two of this Act shall become effective
244 on January 1, 2025, and shall apply to all transactions occurring on and after such date,

245 provided that Part Two shall not affect the prosecution of any crimes for conduct under the
246 previous law while such law was effective and shall not abate any prosecutions thereunder.

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SECTION 3-2.

248 All laws and parts of laws in conflict with this Act are repealed.