#### HOUSE OF REPRESENTATIVES TWENTY-FOURTH LEGISLATURE, 2007 STATE OF HAWAII

# H.B. NO. 1619

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### A BILL FOR AN ACT

RELATING TO SCRAP DEALERS.

### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1	SECTION 1. The Hawaii Revised Statutes is amended by
2	adding a new chapter to be appropriately designated and to read
3	as follows:
4	"CHAPTER
5	SCRAP DEALERS
6	<b>§ -1 Definitions.</b> As used in this chapter, unless the
7	context otherwise requires:
8	"Department" means the department of health.
9	"Director" means the director of health.
10	"Scrap" means any secondhand or used metal except those
11	used motor vehicle parts provided in chapter 289.
12	"Scrap dealer" means any person engaged in the business of
13	buying, selling, or dealing in scrap, or any person operating,
14	carrying on, conducting, or maintaining a scrap yard.
15	"Scrap yard" means any yard, plot, space, enclosure,
16	building, or any other place where scrap is collected, stored,
17	gathered together, and kept.



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A description, including serial numbers and other 1 (4) identifying marks, when practical, of every scrap; 2 (5) The amount received by the seller; 3 4 (6) The date, time and place of the sale; and The license number of any vehicle used to deliver the 5 (7) 6 property to the place of purchase. The scrap dealer shall require the seller to verify the 7 8 seller's identity by presenting proper identification. The 9 scrap dealer shall keep at the dealer's place of business the 10 signed written statement from the seller for a period of two 11 years after the date of purchase. 12 S Entry and inspection of records. The director or -7 13 chief of police of the county in which the scrap dealer is 14 located may enter and inspect any building or place at any time 15 for the purpose of: 16 (1)Investigating an actual or suspected violation of this 17 chapter; and 18 (2) Examining, reviewing, and copying statements. 19 S -8 Penalties; revocation of license. Any scrap dealer who violates this chapter, or who falsifies a statement 20 required under this chapter shall be guilty of a misdemeanor. 21



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If a person, after being sentenced under this section on 1 three separate and prior occasions, fails to comply with the 2 requirements of this chapter, the director may permanently 3 revoke the person's license provided for under this chapter. 4 5 Rulemaking; enforcement by state and county S -9 The director may adopt rules pursuant to chapter 6 authorities. 7 91, necessary for the purposes of this chapter. All state and county health authorities and police officers 8 shall enforce this chapter and the rules of the department." 9 SECTION 2. Section 286-48, Hawaii Revised Statutes, is 10 11 amended by amending subsection (c) to read as follows: 12 Upon resale of the salvage vehicle, the seller or, if "(C) the seller is an insurance company, its authorized agent shall 13 14 transfer the salvage certificate and issue a bill of sale to the 15 purchaser which shall be on a form prescribed by the director of 16 finance. The seller shall notify the purchaser, in writing, of 17 the requirements of this chapter regarding the recertification of salvage vehicles. The seller shall sell the salvage vehicle 18 19 only to a person licensed pursuant to chapter 437B, sections 20 289-4, or [445-232,] chapter , or any person who executes an 21 affidavit which states whether or not the salvage vehicle would 22 be used to construct a rebuilt vehicle as defined in section



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application under this Act.

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286-2 and that if the salvage vehicle is to be rebuilt, the
 purchaser will register the rebuilt vehicle as required by this
 chapter."

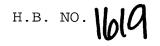
4 SECTION 3. Chapter 445, Part X, Hawaii Revised Statutes,
5 is repealed.

6 SECTION 4. This Act does not affect rights and duties that
7 matured, penalties that were incurred, and proceedings that were
8 begun, before its effective date.

9 SECTION 5. Statutory material to be repealed is bracketed10 and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect upon its approval; 11 provided that a scrap dealer who was issued a license under 12 13 chapter 445, part X, Hawaii Revised Statutes, before the 14 effective date of this Act shall not be penalized by any 15 provision of this Act; provided that the licensed scrap dealer 16 obtains a new license under the provisions of this Act within 17 180 days of its effective date or such greater time as the director of health may require to process the initial 18

20 1:110-7. R. Cato INTRODUCED BY: Mele Carrole HB HMS 2006-4566 inder Evans IAN 2 3 2007



**Report Title:** Scrap Dealers; License; Penalties

#### Description:

Transfers licensing issuance and enforcement duties for scrap dealers to the Department of Health. Establishes penalties for failure to obtain license and written statements from sellers regarding ownership of scrap. Exempts currently licensed scrap dealers for 180 days of effective date.

