

JAN 19 2007

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# A BILL FOR AN ACT

RELATING TO COPPER THEFT.

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

1           SECTION 1. The legislature finds that the price of copper  
2 has increased nearly seven hundred per cent over the past five  
3 years. As a result, copper theft has become a serious and  
4 rapidly growing crime. This new type of theft has devastating  
5 effects on the entire community, not just utility companies,  
6 businesses, and government agencies. It causes phone outages,  
7 power outages, and rising construction costs.

8           The cost of the stolen copper is often only a small  
9 percentage of the victims' loss. Criminal copper scavengers can  
10 cost a homeowner up to \$40,000 or more in damage to their home  
11 for copper that will net the criminal approximately \$1,000.

12           The purpose of this Act is to deter copper theft by  
13 requiring scrap dealers to retain a photocopy of the seller's  
14 valid identification and by prohibiting cash payments for used  
15 or salvaged copper.



1 SECTION 2. Chapter 445, Hawaii Revised Statutes, is  
2 amended by adding a new section to part X to be appropriately  
3 designated and to read as follows:

4 "§445- Copper redemption. (a) No scrap dealer shall  
5 accept any amount of copper from a person unable to supply  
6 verification of identity by a valid state-issued identification  
7 card, driver's license, or federal government-issued  
8 identification card; provided that in addition to such  
9 verification, the scrap dealer shall maintain a photocopy of the  
10 valid identification on file with the statement required under  
11 section 445-233.

12 (b) A scrap dealer purchasing used or salvaged copper  
13 shall keep digital photographs of the purchased copper, with  
14 enough clarity to show distinguishing marks, on file with the  
15 statement required under section 445-233 and shall  
16 electronically transmit copies of the photographs to the  
17 appropriate division of the police department of the county in  
18 which the copper purchase took place.

19 (c) If any copper purchased by a scrap dealer is suspected  
20 by a law enforcement agency to have been stolen, the scrap  
21 dealer shall withhold payment to the seller until the matter is  
22 resolved. Interest shall not accrue or be owed on the withheld



1 payment. Scrap dealers shall provide all relevant information  
2 to law enforcement agencies to aid in the prosecution of copper  
3 theft cases.

4 (d) Scrap dealers shall not pay cash for used or salvaged  
5 copper. Payment shall be issued only by check no less than  
6 thirty days and no more than forty days after redemption of the  
7 used or salvaged copper. The redemption check shall be made  
8 payable only to the name on the valid identification filed  
9 pursuant to this section. Redemption checks may be mailed or  
10 picked up by the seller at the seller's option. Redemption  
11 checks shall be denied for any copper known to law enforcement  
12 to be stolen.

13 (e) A scrap dealer may charge reasonable storage fees for  
14 copper that is not picked up by its rightful owner within thirty  
15 days of notification; provided that after six months the copper  
16 shall be forfeited to the scrap dealer.

17 (f) Any person who violates this section shall be  
18 penalized pursuant to section 445-235."

19 SECTION 3. Section 445-231, Hawaii Revised Statutes, is  
20 amended by amending the definition of "scrap" to read as  
21 follows:



1        ""Scrap" means any secondhand or used metal, including  
2 copper, except those used motor vehicle parts provided in  
3 chapter 289."

4        SECTION 4. Section 445-235, Hawaii Revised Statutes, is  
5 amended to read as follows:

6        "~~§~~445-235 Prohibitions; penalty. Any person who violates  
7 [~~sections~~] section 445-232 [~~and~~], 445-233, or 445- , or any  
8 person who falsifies a statement required by section 445-233,  
9 shall be guilty of a misdemeanor."

10       SECTION 5. Statutory material to be repealed is bracketed  
11 and stricken. New statutory material is underscored.

12       SECTION 6. This Act shall take effect upon approval.

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**Report Title:**

Copper Theft; Scrap Dealers

**Description:**

Requires scrap dealers to retain a photocopy of the seller's valid identification and prohibits cash payments for used or salvaged copper.

