

Honolulu, Hawaii

March 20, 2008

RE: S.B. No. 2627  
S.D. 1  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 2627, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO COPPER PURCHASES,"

begs leave to report as follows:

The purpose of this bill is to deter the sale of stolen copper to scrap dealers and recyclers by prohibiting cash transactions and identifying the seller in the process of the sales transaction. Specifically, this measure requires:

- (1) Any purchase of copper by a scrap dealer or recycler to be made by check payable to the seller;
- (2) The seller to present to the scrap dealer or recycler a valid photo identification card or license of the seller issued by a federal or state government authorized to issue valid identification at the time of the sale of the copper; and
- (3) The check to either be mailed to the address shown on the identification or picked up personally by the seller at the place of business of the scrap dealer or recycler.



Reynolds Recycling and Okuda Metal, Inc., testified in support of this bill. The Honolulu Police Department opposed this measure.

Your Committee has amended this bill by deleting its contents and replacing it with language contained in H.B. No. 2589, H.D. 2. As amended, this measure requires:

- (1) Every scrap dealer that purchases scrap within the state to obtain a written statement signed by the seller or the seller's agent certifying that the seller or the seller's agent has the lawful right to sell and dispose of the scrap;
- (2) The statement to contain:
  - (A) The seller's name;
  - (B) The seller's business or residence address;
  - (C) The seller's occupation;
  - (D) A description, including serial numbers and other identifying marks, when practical, of every piece of scrap;
  - (E) The amount received by the seller;
  - (F) The date, time, and place of the sale; and
  - (G) The license number of any vehicle used to deliver the property to the place of purchase;
- (3) The scrap dealer to require the seller to verify the seller's identity by presenting proper identification;
- (4) The scrap dealer to keep the signed written statement from the seller, which may be examined at any time by the treasurer or chief of police, for a period of two years after the date of purchase at the dealer's place of business; and
- (5) For purchases of copper, the scrap dealer to:
  - (A) Pay for any purchase by check;



- (B) Issue and mail the check to the seller no sooner than five days after the purchase; and
- (C) Retain canceled checks for two years and make the checks available for inspection.

Other technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2627, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2627, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,



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ROBERT N. HERKES, Chair



