



2022 South Dakota Legislature

House Bill 1174

SENATE TRANSPORTATION ENGROSSED

Introduced by: **Representative Derby**

1 **An Act to revise requirements for sales of catalytic converters to scrap metal**
 2 **businesses.**

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 **Section 1. That § 34A-6-108 be AMENDED:**

5 **34A-6-108.** Terms used in this section and §§ 34A-6-109 to 34A-6-112, inclusive,
 6 mean:

- 7 (1) "Industrial or commercial account," any person or business, including a scrap metal
 8 business, operating from a fixed location, that sells nonferrous metal to a scrap
 9 metal recycler pursuant to a contractual arrangement or agreement;
- 10 (2) "Law enforcement officer," any law enforcement officer as defined in § 23-3-7;
- 11 (3) "Nonferrous metal property," any metal property for which the value of the metal
 12 property is derived from the property's content of copper, brass, aluminum,
 13 bronze, lead, zinc, platinum, rhodium, palladium, or nickel, or any of their alloys,
 14 including detached catalytic converters. Aluminum does not include any food or
 15 beverage containers, except for a beer keg;
- 16 (4) "Record," a paper, electronic, or other method of storing information;
- 17 (5) "Scrap metal business," any scrap metal supplier, scrap metal recycling center, or
 18 scrap metal processor;
- 19 (6) "Transaction," a pledge to buy, the purchase of, or the trade for any nonferrous
 20 metal property by a scrap metal business from any person. A transaction does not
 21 include a sale or trade involving any industrial or commercial account.

22 **Section 2. That § 34A-6-109 be AMENDED:**

23 **34A-6-109.** Each scrap metal business shall keep records of each transaction
 24 involving the purchase of nonferrous metal property that exceeds one hundred dollars,
 25 provided that records of any transaction involving a detached catalytic converter must be

1 kept regardless of purchase price. The scrap metal business shall be able to produce an
2 accurate and legible record of each transaction involving nonferrous metal property at the
3 location where the scrap metal is purchased. The records shall contain the following:

- 4 (1) Date, location, and value of the transaction;
- 5 (2) Signature of the person selling the nonferrous metal property;
- 6 (3) Name, street address, city, and state of the seller;
- 7 (4) Photocopy of the seller's current driver license or other government issued picture
8 identification card;
- 9 (5) A description of the predominant types of nonferrous metal property involved in
10 the transaction, including the weight, quantity, or volume of the scrap nonferrous
11 metal; and
- 12 (6) Name of the employee representing the scrap metal business in the transaction.

13 **Section 3. That chapter 34A-6 be amended with a NEW SECTION:**

14 Only a scrap metal business with a valid state sales tax license may purchase a
15 detached catalytic converter.

16 A person may not purchase, trade for, or pledge to buy a detached catalytic
17 converter, or offer or advertise to purchase, trade for, or pledge to buy a detached
18 catalytic converter, unless the person follows the requirements under §§ 34A-6-108 to
19 34A-6-112, inclusive.