

2022 South Dakota Legislature

House Bill 1174**AMENDMENT 1174C FOR THE HOUSE TRANSPORTATION
ENGROSSED BILL**

1 **An Act to revise ~~recordkeeping and payment~~ requirements for sales of catalytic**
2 **converters to scrap metal 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, ~~including a catalytic converter,~~ that

1 exceeds one hundred dollars, provided that records of any transaction involving a
2 detached catalytic converter must be kept regardless of purchase price. The scrap metal
3 business shall be able to produce an accurate and legible record of each transaction
4 involving nonferrous metal property, ~~including a catalytic converter,~~ at the location where
5 the scrap metal is purchased. The records shall contain the following:

- 6 (1) Date, location, and value of the transaction;
- 7 (2) Signature of the person selling the nonferrous metal property;
- 8 (3) Name, street address, city, and state of the seller;
- 9 (4) Photocopy of the seller's current driver license or other government issued picture
10 identification card;
- 11 (5) A description of the predominant types of nonferrous metal property involved in
12 the transaction, including the weight, quantity, or volume of the scrap nonferrous
13 metal; and
- 14 (6) Name of the employee representing the scrap metal business in the transaction; and
15 and
16 ~~(7) For a transaction involving a catalytic converter, the make and vehicle identification~~
17 ~~number of the motor vehicle from which the catalytic converter was obtained.~~

18 **Section 3. That § 34A-6-109.1 be AMENDED:**

19 **34A-6-109.1.** Any payment for the purchase of nonferrous metal property; and
20 ~~including a catalytic converter,~~ that exceeds one hundred dollars shall be made by either
21 check or electronic funds transfer.

22 **Section 4. That chapter 34A-6 be amended with a NEW SECTION:**

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

25 A person may not purchase, trade for, or pledge to buy a detached catalytic
26 converter, or offer or advertise to purchase, trade for, or pledge to buy a detached
27 catalytic converter, unless the person follows the requirements under §§ 34A-6-108 to
28 34A-6-112, inclusive.