
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2038 Session of
2014

INTRODUCED BY MOUL, PICKETT, HEFFLEY, D. COSTA, MILLARD, MUNDY,
R. MILLER, KORTZ, GINGRICH, M. K. KELLER, COHEN AND
PASHINSKI, FEBRUARY 24, 2014

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, FEBRUARY 24, 2014

AN ACT

1 Amending the act of October 9, 2008 (P.L.1408, No.113), entitled
2 "An act requiring scrap processors and recycling facility
3 operators to collect certain information relating to the
4 purchase of scrap material; requiring commercial accounts;
5 and restricting scrap processors and recycling facility
6 operators from purchasing certain materials," further
7 providing for title of act, for findings, for short title and
8 for definitions; providing for identification requirements
9 for sale of second-hand goods to second-hand dealers; and
10 further providing for law enforcement, for penalties and for
11 preemption.

12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:

14 Section 1. The title, findings and section 1 of the act of
15 October 9, 2008 (P.L.1408, No.113), known as the Scrap Material
16 Theft Prevention Act, are amended to read:

17 AN ACT

18 Requiring second-hand dealers, scrap processors and recycling
19 facility operators to collect certain information relating to
20 the purchase of previously owned, used, rented or leased
21 tangible personal property and scrap material; requiring
22 commercial accounts; and restricting scrap processors and

1 recycling facility operators from purchasing certain
2 materials.

3 The General Assembly finds that:

4 (1) The theft and resale of personal property is
5 increasingly prevalent in this Commonwealth.

6 [(1)] (2) Copper, aluminum, steel and other metal
7 commodity thefts rise as the price of metal property
8 increases.

9 [(2) Scrap] (3) Second-hand dealers, scrap processors
10 and recycling facility operators may serve as unknowing
11 conduits for the disposition of stolen [metal] property and
12 may also be victims of theft.

13 [(3)] (4) Individuals have found it to be more
14 financially advantageous to sell used beer kegs to a scrap
15 processor or recycling facility operator as opposed to
16 returning the kegs to the distributor where they were rented.

17 [(4)] (5) This act is needed to ensure appropriate
18 documentation of transactions to assist law enforcement
19 agencies to identify, recover and return stolen property to
20 its owner and to ensure, as reasonably as possible, that
21 second-hand dealers, scrap processors and recycling facility
22 operators are less likely to be used as conduits for the
23 liquidation and disposal of stolen metal or personal
24 property.

25 Section 1. Short title.

26 This act shall be known and may be cited as the Second-Hand
27 Goods and Scrap Material Theft Prevention Act.

28 Section 2. The definitions of "buyer" and "seller" in
29 section 2 of the act are amended and the section is amended by
30 adding definitions to read:

1 Section 2. Definitions.

2 The following words and phrases when used in this act shall
3 have the meanings given to them in this section unless the
4 context clearly indicates otherwise:

5 "Antique dealer." A person, company, corporation or member
6 or members of a partnership or firm who sell exclusively goods
7 that are at least 50 years old.

8 * * *

9 "Buyer." The owner, operator or employee of a second-hand
10 dealer, scrap processor or recycling facility.

11 * * *

12 "Exempted Internet sales." Offers for sale of items of
13 second-hand personal property available on a website where the
14 items listed for sale:

15 (1) May be viewed by any member of the general public at
16 no charge.

17 (2) May be searched by any member of the general public
18 at no charge by zip code or state in which the second-hand
19 personal property offered for sale is located.

20 (3) Are assigned a unique item listing number by the
21 website.

22 (4) Are provided, in a timely manner, at no additional
23 charge to the second-hand dealer, to a unified, nationally
24 available database that is searchable by item description and
25 by seller, that may be accessed by a law enforcement agency
26 with adequate security features and privacy protections, upon
27 confirmation that such access is reasonably necessary for an
28 ongoing investigation of a crime.

29 * * *

30 "Second-hand dealer." Any person, company, corporation or

1 member or members of a partnership or firm whose storefront
2 business includes any volume of selling or receiving previously
3 owned, used, rented or leased tangible personal property. The
4 term shall not include the following:

5 (1) Auction houses.

6 (2) Flea markets.

7 (3) Dealers in precious metals.

8 (4) Antiques dealers.

9 (5) Pawn brokers.

10 (6) Motor vehicle dealers.

11 (7) The sale of second-hand goods at events commonly
12 known as "garage sales," "yard sales" or "estate sales."

13 (8) The sale or receipt of second-hand books, magazines,
14 postcards or postage stamps.

15 (9) The sale or receipt of used merchandise donated to
16 recognized nonprofit, religious or charitable organizations
17 or any school-sponsored association for which no compensation
18 is paid.

19 (10) The sale or receipt of second-hand furniture,
20 clothing or shoes.

21 (11) The sale of goods exclusively via the Internet that
22 meets the definitions of "exempted Internet sales."

23 (12) Federal licensed firearm dealers.

24 (13) The retail sale or purchase of goods, produce or
25 other food products to a consumer by a person, company,
26 corporation, member or members of a partnership or firm from
27 a local location that the person, company, corporation,
28 member or members of a partnership or firm own or lease.

29 "Second-hand good." Any previously owned, used, rented or
30 leased tangible personal property excluding exempt dealers or

1 goods enumerated within this section.

2 "Seller." Any person, other than a commercial enterprise,
3 who sells previously owned, used, rented or leased tangible
4 property or scrap materials to a second-hand dealer, scrap
5 processor or recycling facility operator.

6 Section 3. The act is amended by adding a section to read:
7 Section 3.1. Identification requirements for sale of second-
8 hand goods to second-hand dealers.

9 (a) General rule.--A second-hand dealer shall collect the
10 following information for all transactions by a seller of
11 second-hand goods when the purchase of second-hand goods from
12 the seller exceeds \$20:

13 (1) A photocopy of the driver's license or government-
14 issued ID of the seller if the seller is over 18 years of
15 age.

16 (2) The signature and photocopy of the driver's license
17 or government-issued ID of the parent or legal guardian of
18 any seller under 18 years of age.

19 (3) The seller's and buyer's signature for each
20 transaction.

21 (4) The date and time of the transaction.

22 (5) A description of the second-hand good included in
23 the transaction and the amount paid to the seller.

24 (b) Tracking the transaction.--A second-hand dealer shall,
25 when payment is made in cash, develop methods of tracking a
26 transaction that obtains the seller's signature on a receipt for
27 the transaction. The receipt shall include a certification that
28 the seller is the owner or authorized seller of the second-hand
29 good.

30 (c) Maintenance of records.--The information required by

1 this section shall be maintained by the second-hand dealer for a
2 minimum of one year from the date of the transaction.

3 Section 4. Sections 6, 7 and 8 of the act are amended to
4 read:

5 Section 6. Law enforcement.

6 A second-hand dealer, scrap processor and recycling facility
7 operator shall disclose seller registration information required
8 by this act during normal business hours to any investigative or
9 law enforcement officer or any person acting at the direction or
10 request of an investigative or law enforcement officer to
11 investigate suspected criminal activities.

12 Section 7. Penalties.

13 A second-hand dealer, scrap processor and recycling facility
14 operator who violates this act commits a summary offense and
15 shall, upon conviction, be sentenced to pay a fine of up to
16 \$2,500. A second or subsequent violation shall be classified as
17 a misdemeanor of the third degree.

18 Section 8. Preemption.

19 This act shall preempt and supersede any local ordinance or
20 rule adopted after the effective date of this act which seeks to
21 regulate the processing of second-hand goods or scrap materials.

22 Section 5. This act shall take effect in 60 days.