



TERRY E. BRANSTAD
GOVERNOR

OFFICE OF THE GOVERNOR

KIM REYNOLDS
LT. GOVERNOR

April 19, 2012

The Honorable Matt Schultz
Secretary of State of Iowa
State Capitol Building
LOCAL

Dear Mr. Secretary:

I hereby transmit:

House File 2399, an Act relating to scrap metal transactions, prohibiting certain sales, and providing penalties.

The above House File is hereby approved this date.

Sincerely,

A handwritten signature in black ink that reads "Terry E. Branstad".

Terry E. Branstad
Governor

cc: Secretary of the Senate
Clerk of the House



House File 2399

AN ACT
RELATING TO SCRAP METAL TRANSACTIONS, PROHIBITING CERTAIN
SALES, AND PROVIDING PENALTIES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 714.27, Code Supplement 2011, is amended by striking the section and inserting in lieu thereof the following:

714.27 Scrap metal transactions and reporting — penalties.

1. For purposes of this section, and unless the context otherwise requires, the following definitions shall apply:

a. "Scrap metal" means any metal suitable for reprocessing. "Scrap metal" does not include a motor vehicle, but does include a catalytic converter detached from a motor vehicle.

b. "Scrap metal dealer" means any person operating a business at a fixed or mobile location that is engaged in one of the following activities:

(1) Buying, selling, procuring, collecting, gathering, soliciting, or dealing in scrap metal.

(2) Operating, managing, or maintaining a scrap metal yard.

c. "Scrap metal yard" means any yard, plot, space, enclosure, building, mobile facility, or other place where scrap metal is collected, gathered together, stored, or kept for shipment, sale, or transfer.

2. *a.* A person shall not sell scrap metal to a scrap metal dealer in this state unless the person provides to the scrap metal dealer, at or before the time of sale, the person's name, address, and place of business, if any, and presents to the scrap metal dealer a valid driver's license or nonoperator's identification card, military identification card, passport, or other government-issued photo identification.

b. A scrap metal dealer shall not make an initial purchase of scrap metal from a person without demanding and receiving the information required by this subsection. However, after an initial transaction, a scrap metal dealer may only require the person's name and place of business for subsequent purchases, provided the scrap metal dealer retains all information received during the initial transaction.

3. A scrap metal dealer shall keep a confidential register or log of each transaction, including a record of the information required by subsection 2. All records and information kept pursuant to this subsection shall be retained for at least two years, and shall be provided to a law enforcement agency or other officer or employee designated by a county or city to enforce this section upon request during normal business hours when the law enforcement agency or designated officer or employee of a county or city has reasonable grounds to request such information as part of an investigation. A law enforcement agency or designated officer or employee of a county or city shall preserve the confidentiality of the information provided under this subsection and shall not disclose it to a third party, except as may be necessary in enforcement of this section or the prosecution of a criminal violation.

4. All scrap metal transactions, other than those transactions exempt pursuant to subsection 5, in which the total sale price exceeds fifty dollars shall require payment by check or electronic funds transfer.

5. The following scrap metal transactions are exempt from the requirements of this section: