

SCRAP METAL REGULATORY ACT (EXCERPT)
Act 429 of 2008

445.425 Scrap metal dealer; seller; duties.

Sec. 5.

(1) All of the following apply to a scrap metal dealer:

(a) Unless section 6 applies, and except as provided in subdivision (b), a scrap metal dealer shall only pay a seller using 1 of the following methods of payment in a purchase transaction and shall not pay the seller in cash or using any other method of payment:

(i) A check or money order. A scrap metal dealer shall make and retain a photograph or digital or electronic image of the delivery of the check or money order to the seller or individual acting on behalf of the seller in the purchase transaction that includes the face of that seller or individual.

(ii) An electronic payment card or encrypted receipt that may only be converted to cash in an automated teller machine that is located on the scrap metal dealer's premises; is used for the sole purpose of dispensing cash in connection with purchase transactions; and provides a digital or electronic image of the dispensing of the cash to the seller or individual acting on behalf of the seller in the purchase transaction that includes the face of that seller or individual. For purposes of this section and section 6, payment using an electronic payment card or encrypted receipt described in this subparagraph is not considered a payment in cash.

(b) All of the following apply in a purchase transaction with an industrial or commercial customer:

(i) The scrap metal dealer may pay using any of the following methods of payment, as agreed to by the scrap metal dealer and the industrial or commercial customer, and except as provided in subdivision (c), shall not pay the seller in cash or using any other method of payment:

(A) By check, money order, or payment card or receipt described in subdivision (a)(ii). If a payment described in this sub-subparagraph is mailed to the industrial or commercial customer, the scrap metal dealer may mail that payment to the street address or post office box of the industrial or commercial customer or to another person or post office box as directed by the industrial or commercial customer.

(B) By bank wire transfer or other electronic delivery to an account of the industrial or commercial customer.

(ii) The payment requirements described in section 6(1) do not apply to the purchase of any of the items described in section 6(1)(a) to (c) by an industrial or commercial customer.

(c) A scrap metal dealer may accept barter or a trade or exchange of scrap metal or other property in a purchase transaction as all or part of the consideration for that transaction.

(d) A scrap metal dealer in a purchase transaction shall examine the identification presented under subsection (2) (a) by the seller or individual acting on behalf of the seller, and if the identification presented displays the date of birth of the individual, confirm that the individual is at least 16 years old based on that date of birth.

(e) A scrap metal dealer shall ensure that it trains each scale operator, purchaser, and supervisor employed by the dealer concerning the legal requirements of this act and the responsibilities of the scrap metal dealer under this act.

(2) In a purchase transaction, all of the following apply to a seller, if the seller is an individual, or to an individual acting as an agent or representative of a seller:

(a) He or she must present his or her operator's or chauffeur's license, military identification card, Michigan identification card, passport, or other government-issued identification containing his or her photograph to the scrap metal dealer and allow the scrap metal dealer to make a photocopy or electronic copy of the identification.

(b) He or she must allow the scrap metal dealer to take his or her thumbprint, to be used only for identification purposes by the scrap metal dealer and for investigation purposes by a law enforcement agency.

(c) He or she must provide the scrap metal dealer with a signed statement that certifies that he or she is the owner of, or is otherwise authorized to sell, the scrap metal to the scrap metal dealer and is at least 16 years old.

(d) An individual who has been convicted of a crime involving the theft, the conversion, or the sale of scrap metal may not enter into a purchase transaction. As part of a purchase transaction, the individual shall certify that he or she has not been convicted of a crime described in this subdivision.

History: 2008, Act 429, Eff. Apr. 1, 2009 ;-- Am. 2014, Act 99, Eff. July 1, 2014