

## NONFERROUS METALS PURCHASE PERMIT APPLICATION

Name: \_\_\_\_\_  

Last
First
Middle

Residence: \_\_\_\_\_  

Street/P.O. Box
City
State
Zip Code

Primary Telephone Number: (\_\_\_\_)\_\_\_\_\_ Email Address: \_\_\_\_\_

Name of Business: \_\_\_\_\_

Registered \_\_\_\_\_ Address \_\_\_\_\_ of \_\_\_\_\_ Business: \_\_\_\_\_

Street/P.O. Box
City
County
State
Zip Code

I, \_\_\_\_\_, owner of \_\_\_\_\_, hereby apply to the county sheriff for a permit(s) to purchase nonferrous metals for the following site(s):

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

(List each business name and physical address) (Attach additional sheets if necessary)

For purposes of this permit, I understand the term “nonferrous metals” is defined in G.S. § 66-415(4) as “[M]etals not containing significant quantities of iron or steel, including, but not limited to, copper wire, copper clad steel wire, copper pipe, copper bars, copper sheeting, aluminum other than aluminum cans, a product that is a mixture of aluminum and copper, catalytic converters, lead-acid batteries, and stainless steel beer kegs or containers.” The term does not include precious metals as defined and regulated in Part 2 of Chapter 66 of the North Carolina General Statutes.

**Applicant’s Certification**

In making application to the Sheriff’s Office of \_\_\_\_\_ County, North Carolina to receive a permit as a nonferrous metals purchaser, I hereby attest to the following:

- I currently operate a business in the county of application which involves the purchase of nonferrous metals.
- I do not currently have a nonferrous metals purchase permit that has been revoked in accordance with G.S. §66-424(b).

- I have not been convicted of four or more violations of Part 3 of Chapter 66 of the N.C. General Statutes.
- I have read and understand that I am governed by and subject to Part 3 of Chapter 66 of the N.C. General Statutes. (Attached)
- I am in compliance with the provisions of the attached North Carolina General Statutes.
- I will maintain the receipts and records required by G.S. §66-416(a) & (b) for at least two (2) years from the date of purchase.
- I will make all receipts and records available for law enforcement personnel upon their request pursuant to N.C.G.S. §66-417(c).

I hereby certify that each and every statement made on this form is true and complete and I understand that any misstatement or omissions of information could result in my permit being denied or revoked.

This the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ \_\_\_\_\_  
Applicant's Signature

## **Part 3 of Chapter 66 of the N.C. General Statutes**

### Part 3. Regulation of Sales and Purchases of Metals.

#### **§ 66-415. Definitions.**

The following definitions apply in this Part:

- (1) Cash card system. – A system of payment that captures a photograph of a payment recipient and that provides payment in cash or in a form other than cash.
- (2) Fixed site. – A site occupied by a secondary metals recycler as the owner of the site or as a lessee of the site under a lease or other rental agreement providing for occupation of the site by a nonferrous metals purchaser for a total duration of not less than 364 days.
- (3) Law enforcement officer. – Any duly constituted law enforcement officer of the State or of any municipality or county.
- (4) Nonferrous metals. – Metals not containing significant quantities of iron or steel, including, but not limited to, copper wire, copper clad steel wire, copper pipe, copper bars, copper sheeting, aluminum other than aluminum cans, a product that is a mixture of aluminum and copper, catalytic converters, lead-acid batteries, and stainless steel beer kegs or containers. The term shall not include precious metals as defined and regulated in Part 2 of this Article.
- (5) Nonferrous metals purchaser. – A secondary metals recycler who purchases, gathers, or obtains nonferrous metals.
- (6) Permit. – A permit issued pursuant to G.S. 66-421(a).
- (7) Regulated metals property. – All ferrous and nonferrous metals.
- (8) Secondary metals recycler. – Any person, firm, or corporation in the State:
  - a. That is engaged in the business of gathering or obtaining ferrous or nonferrous metals that have served their original economic purpose or is in the business of performing the manufacturing process by which ferrous metals or nonferrous metals are converted into raw material products consisting of prepared grades and having an existing or potential economic value; or
  - b. That has facilities for performing the manufacturing process by which ferrous metals or nonferrous metals are converted into raw material products consisting of prepared grades and having an existing or potential economic value, by methods including, but not limited to, the processing, sorting, cutting, classifying, cleaning, baling, wrapping, shredding, shearing, or changing the physical form or chemical content of the metals, but not including the exclusive use of hand tools.

#### **§ 66-416. Required records and receipts for regulated metals transactions.**

(a) Receipt Required. – A secondary metals recycler shall issue a receipt for all purchase transactions in which the secondary metals recycler purchases regulated metals property. This receipt shall be issued to and signed by the person delivering the property, and the secondary metals recycler shall be able to provide documentation regarding the employee who completed the transaction.

(b) Records Required. – A secondary metals recycler shall maintain a record of all purchase transactions in which the secondary metals recycler purchases regulated metals property. The record of each transaction shall contain the following information:

- (1) The name and address of the secondary metals recycler.
- (2) The name, initials, or other identification of the individual entering the information.
- (3) The date of the transaction.
- (4) The weight of the regulated metals property purchased.
- (5) The description made in accordance with the custom of the trade of the type of regulated metals property purchased and the physical address where the regulated metals were obtained by the seller and the date when purchased, and a statement signed by the seller or the seller's agent certifying that the seller or the seller's agent has the lawful right to sell and dispose of the property.
- (6) The amount of consideration given for the regulated metals property.
- (7) The name and address of the vendor of the regulated metals property and the license plate number, make, model, and color of the vehicle used to deliver the regulated metals.
- (8) A photocopy or electronic scan of the unexpired drivers license or state or federally issued photo identification card of the person delivering the regulated metals property to the secondary metals recycler. If the secondary metals recycler has a copy of the valid photo identification of the person delivering the regulated metals property on file, the secondary metals recycler must examine the photo identification and verify that it has not expired, but may reference the photo identification that is on file without making a separate photocopy or electronic scan for each subsequent transaction. If the person delivering the regulated metals property does not have an unexpired drivers license or an unexpired state or federally issued photo identification card, the secondary metals recycler shall not complete the transaction.
- (9) A copy of the receipt required under subsection (a) of this section when all the information required under subsection (a) of this section is clear and legible or, in the event the copy of the receipt is not clear or not legible, the original receipt.
- (10) A video or digital photograph of the seller together with the regulated metals property being delivered by the seller. The video or photograph required by this section shall be of a quality that is sufficient to allow a person of ordinary faculties to identify the person recorded or photographed.
- (11) In transactions involving catalytic converters that are not attached to a vehicle, and central air conditioner evaporator coils or condensers, the person delivering the materials shall place next to that person's signature on the receipt required under subsection (a) of this section, a clear impression of that person's index finger that is in ink and free of any smearing. A secondary metals recycler may elect to obtain the fingerprint electronically. If the secondary metals recycler has a copy of the fingerprint of the person delivering the nonferrous metal on file, the secondary metals recycler must examine the photo identification, but may reference the fingerprint that is on file without making a separate fingerprint for each subsequent transaction.

#### **§ 66-417. Inspection of regulated metals property and records.**

(a) Retention of Records. – A secondary metals recycler shall keep and maintain the information required under G.S. 66-416(b) for not less than two years from the date of the

purchase of the regulated metals property. Records shall be securely maintained at all times and shall be destroyed in a manner that protects the identity of the owner of the property, the seller of the property, and the purchaser of the property.

(b) Inspection of Regulated Metals Property and Records. – During the usual and customary business hours of a secondary metals recycler, a law enforcement officer shall have the right to inspect all of the following:

(1) Any and all purchased regulated metals property in the possession of the secondary metals recycler.

(2) Any and all records required to be maintained under G.S. 66-416(b).

(c) Making Receipts Available for Inspection by Law Enforcement. – A secondary metals recycler shall make receipts for the purchase of regulated metals property available for pickup each regular workday if requested by the sheriff or chief of police of the county or the chief of police of the municipality in which the secondary metals recycler is located. The sheriff or the chief of police may request these receipts to be electronically transferred directly to the law enforcement agency. Records retained by a law enforcement agency shall be securely retained as required by law and destroyed in a manner that protects the identity of the owner of the property, the seller of the property, and the purchaser of the property.

(d) Records Are Not Public. – Records submitted to any public law enforcement agency pursuant to this section are records of criminal investigations or records of criminal intelligence information as defined in G.S. 132-1.4 and are not public records as defined by G.S. 132-1.

#### **§ 66-418. Hold notices for nonferrous metals; retention of nonferrous metals.**

(a) Hold Notices. – When a law enforcement officer has reasonable suspicion to believe that any item of nonferrous metal in the possession of a nonferrous metals purchaser has been stolen, the law enforcement officer may issue a hold notice to the nonferrous metals purchaser. The hold notice must be in writing, be delivered to the nonferrous metals purchaser, specifically identify those items of nonferrous metal that are believed to have been stolen and that are subject to the notice, and inform the nonferrous metals purchaser of the information contained in this section. Upon receipt of the notice, the nonferrous metals purchaser must not process or remove the items of nonferrous metal identified in the notice, or any portion thereof, from the secondary metal recycler's fixed site for 15 calendar days after receipt of the notice unless released prior to the 15-day period by the law enforcement officer. A hold notice may be renewed for an additional 30 days by the law enforcement officer. A renewal must satisfy the same requirements as an initial hold notice in order to be valid.

(b) Retention of Nonferrous Metals. – Any secondary metals recycler owner convicted of a felonious violation of this Article, G.S. 14-71, 14-71.1, or 14-72 shall hold and retain nonferrous metals for seven days from the date of purchase before selling, dismantling, crushing, defacing, or in any manner altering or disposing of the regulated metals property.

#### **§ 66-419. Prohibited activities and transactions.**

(a) A secondary metals recycler shall not do any of the following:

(1) Operate any business that cashes checks at a fixed site at which the secondary metals recycler purchases regulated metals property.

(2) Purchase nonferrous metals for the purpose of recycling the nonferrous metals, unless the nonferrous metals purchaser possesses a valid permit.

(3) Purchase any central air conditioner evaporator coils or condensers, or catalytic converters that are not attached to a vehicle, except that a secondary metals recycler may purchase these items from a company, contractor, or individual that is in the business of installing, replacing, maintaining, or removing these items.

(4) Purchase any regulated metals property that the secondary metals recycler knows or reasonably should know to be stolen.

(b) It shall be unlawful to transport or possess on highways of this State an amount of copper weighing in the aggregate more than 25 pounds, unless at least one of the following is true:

(1) The vehicle is used in the ordinary course of business for the purpose of transporting nonferrous metals. This term includes vehicles used by gas, electric, communications, water, plumbing, electrical, and climate conditioning service providers, and their employees, agents, and contractors, in the course of providing these services.

(2) The person transporting or possessing the copper possesses, and presents when requested, a valid bill of sale for the copper.

(3) A law enforcement officer determines that the copper is not stolen and is in the rightful possession of the person.

(c) A secondary metals recycler shall not purchase any of the following:

(1) Any regulated metal marked with the initials or other identification of a telephone, cable, electric, water, or other public utility, or any brewer.

(2) Any utility access cover.

(3) Any street light pole or fixture.

(4) Any road or bridge guard rail.

(5) Any highway or street sign.

(6) Any water meter cover.

(7) Any metal beer keg, including any made of stainless steel that is clearly marked as being the property of the beer manufacturer.

(8) Any traffic directional or control sign.

(9) Any traffic light signal.

(10) Any regulated metal marked with the name of a government entity.

(11) Any spikes, plates, or other railroad track components or signs, and any property owned by a railroad and marked and otherwise identified as such.

(12) Any historical marker or any grave marker or burial vase.

#### **§ 66-420. Permissible payment methods for nonferrous metals purchasers.**

(a) Limitation on Cash Purchases. – No nonferrous metals purchaser shall enter into a cash transaction for the purchase of copper, and no nonferrous metals purchaser shall purchase any nonferrous metal property for any cash consideration greater than one hundred dollars (\$100.00) per transaction. Any payment in excess of one hundred dollars (\$100.00) per transaction shall be made by check, money order or cash card system. A nonferrous metals purchaser shall not make more than one cash purchase per day from any individual, business, corporation or partnership.

#### **§ 66-421. Issuance of nonferrous metals purchase permits by Sheriff; form; fees; recordkeeping.**

(a) Issuance of Permits. – The sheriff of each county shall issue a nonferrous metals purchase permit to an applicant if the applicant (i) has a fixed site in the sheriff's county; (ii) declares on a form provided by the sheriff that the applicant is informed of and will comply with the provisions of this Part; (iii) does not have a permit that has been revoked pursuant to G.S. 66-324(b) at the time of the application; and (iv) has not been convicted of more than three violations of this Part. A permit shall be valid for 12 months and shall be valid only for fixed sites in the county of issuance. A permit shall be obtained for each fixed site at which nonferrous metals are purchased.

(b) Form. – The Attorney General shall prescribe a standard application form and a standard permit form to be used by sheriffs. The permit form shall contain, at a minimum, the date of issuance and the name and address of the permit holder.

(c) Fees; Record-Keeping Requirements. – The sheriff shall not charge a fee for a permit, and shall retain a copy of any permit issued.

#### **§ 66-422. Exemptions.**

This Part does not apply to:

(1) Purchases of regulated metals property from a manufacturing, industrial, government, or other commercial vendor that generates or sells regulated metals property in the ordinary course of its business.

(2) Purchases of regulated metals property that involve only beverage containers, except that G.S. 66-418 shall apply in that case.

#### **§ 66-423. Preemption.**

A county or municipality shall not enact any local law, ordinance, or regulation regulating secondary metals recyclers or regulated metals property that conflicts with this Part, and this Part preempts all existing laws, ordinances, or regulations that conflict with it.

#### **§ 66-424. Violations.**

(a) Punishment Generally. – Unless the conduct is covered by some other provision of law providing greater punishment, any person knowingly and willfully violating any of the provisions of this Part shall be guilty of a Class 1 misdemeanor for a first offense. A second or subsequent violation of this Part is a Class I felony.

(b) Revocation of Permits. – If the owner or the employees of a fixed site are convicted of an aggregate of three or more violations of this Part within a 10 year period, the permit associated with that fixed site shall be immediately revoked by the sheriff for a period of six months. Any attempt to circumvent this subsection by procuring a permit through a family member shall result in extension of the revocation period for an additional 18 months.

#### **§ 66-425. Restitution.**

The court may order a defendant to make restitution to the secondary metals recycler or property owner, as appropriate, for any damage or loss caused by the defendant and arising out

of a violation of G.S. 14-71, G.S. 14-71.1, G.S. 14-72, G.S.14-159.4, G.S. 66-419(a) (3), or G.S. 66-419(a)(4) committed by the defendant.

**§ 66-426. Forfeiture of vehicles used to transport unlawfully obtained regulated metals property.**

(a) Vehicles which are used or intended for use to convey or transport, or in any manner to facilitate the conveyance or transportation of unlawfully obtained regulated metals property, as defined by this Part, are subject to forfeiture, except that:

- (1) No conveyance shall be forfeited under the provisions of this section by reason of any act or omission, committed or omitted while such conveyance was unlawfully in the possession of a person other than the owner in violation of the criminal laws of the United States, or of any state;
- (2) No conveyance shall be forfeited unless the violation involved is a felony;
- (3) A forfeiture of a vehicle encumbered by a bona fide security interest is subject to the interest of the secured party who had no knowledge of or consented to the act or omission;
- (4) No conveyance shall be forfeited under the provisions of this section unless the owner knew or had reason to believe the vehicle was being used in the commission of any violation that may subject the conveyance to forfeiture under this section.