

**433.904 Requirements for purchase of restricted metals by secondary metals recycler -- Cash transactions prohibited -- Payment to be made by check -- Daily reports to sheriff and police -- Confidentiality of information -- Proof of ownership of restricted metals -- Applicability.**

- (1)
  - (a) A secondary metals recycler shall not enter into any cash transaction for the purchase of any restricted metals as defined in KRS 433.900.
  - (b) Payment by a secondary metals recycler for the purchase of restricted metals shall be made by check issued to the seller and payable to the seller.
  - (c) Each check for payment shall be mailed by the secondary metals recycler directly to the street address of the seller. Payment shall not be mailed to a post office box.
  - (d) Each check shall be mailed by the secondary metals recycler to the seller no sooner than one (1) day after the purchase transaction.
- (2) At the close of each business day, a secondary metals recycler shall make a report describing any purchases of restricted metals as defined in KRS 433.900, in digital format, in writing, or by other electronic means to:
  - (a) The sheriff of the county in which the purchase transaction was made by a secondary metals recycler and the sheriff of the county where the secondary metals recycler is located; and
  - (b) The police department of the city, county, charter county government, urban-county government, consolidated local government, or unified local government in which the purchase transaction was made and the police department of the city, county, charter county government, urban-county government, consolidated local government, or unified local government in which the secondary metals recycler is located.

The information required by this subsection shall remain confidential, and this information shall include the following disclosure: "This information is for the designated recipient only and may contain privileged, proprietary, or otherwise private information. If you are not the intended recipient of this information, you are hereby notified that any use, distribution, copying, or disclosure of this communication is strictly prohibited. If you have received this information in error, please notify the sender and purge the communication immediately."

- (3) A secondary metals recycler shall not purchase any restricted metals without obtaining reasonable proof that the seller owns the property, such as a receipt or bill of sale, or reasonable proof that the seller is an employee, agent, or contractor of a governmental entity, utility company, cemetery, railroad, manufacturer, or other person, business, or entity owning the property and that the seller is authorized to sell the item of restricted metal. A secondary metals recycler may retain on file an official document on the letterhead of the person, business, or entity indicating that the seller is authorized to sell the restricted metal item. Such a letter must be dated within three hundred sixty-five (365) days of the transaction.
- (4) The requirements for the purchase of restricted metals according to the provisions of subsections (1) and (2) of this section shall also apply to the purchase of copper

wire or coaxial cable belonging to a utility or cable provider, such as communication, transmission, distribution, or service wire, by a secondary metals recycler.

- (5) The provisions of subsections (1) and (3) of this section shall not apply to nonreturnable used beverage containers.
- (6) The provisions of this section shall not apply to the following:
  - (a) The purchase of restricted metals from a secondary metals recycler;
  - (b) The purchase of restricted metals from an organization, corporation, or association registered with the Commonwealth as a charitable, philanthropic, religious, fraternal, civic, patriotic, social, or school-sponsored organization;
  - (c) The purchase of restricted metals pursuant to a written contract, from a manufacturing, industrial, or other commercial vendor that generates restricted metals in the ordinary course of business; or
  - (d) A motor vehicle, aircraft, or other item that is licensed by the state or federal government pursuant to a legitimate transfer of title or issuance of a junk title.

**Effective:** July 12, 2012

**History:** Created 2012 Ky. Acts ch. 91, sec. 3, effective July 12, 2012.

**Legislative Research Commission Note** (7/12/2012). Under the authority of KRS 7.136(1), the Reviser of Statutes has altered the format of the text in subsection (2) of this statute during codification in order to correct a manifest clerical or typographical error. The words in the text were not changed.