

SENATE BILL No. 196

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-2.5-8-7; IC 25-37.5-1; IC 34-30-2-101.7; IC 35-52-25-61.5.

Synopsis: Electronic reporting of valuable metal purchases. Transfers the authority of the state police department with respect to valuable metal dealers to the state department of homeland security (DHS). Requires a metals business (an automobile scrapyards, automotive salvage recycler, core buyer, recycling facility, or valuable metal dealer) to electronically submit daily reports to the DHS concerning its valuable metal purchases. Requires a metals business to register and pay a one time fee of \$500 prior to reporting. Requires the DHS to maintain ownership and control of the computer software system used for the electronic reporting and to retain the information for at least two years. Provides that the information submitted electronically is confidential, but requires that the information must be made available to law enforcement agencies. Makes a metals business immune from civil liability arising from the disclosure of information concerning valuable metal purchases if the information is disclosed through a computer system breach and the breach is caused by a person other than, and without the knowledge or consent of, the metals business. Authorizes the use of administrative dissolution by the secretary of state to enforce the reporting of valuable metal purchases. Authorizes the department of state revenue to revoke a retail merchant's certificate to enforce the reporting of valuable metal purchases. Makes it a Class A misdemeanor for a metals business to knowingly or intentionally fail to comply with record keeping or reporting requirements. Makes it a Class A misdemeanor for a person to recklessly sell or attempt to sell stolen valuable metal to a metals business. Requires the executive director of the DHS to adopt rules concerning the electronic reporting
(Continued next page)

Effective: July 1, 2019.

Head

January 3, 2019, read first time and referred to Committee on Judiciary.



Digest Continued

of valuable metal purchases. Precludes a unit from adopting an ordinance to regulate metals businesses regarding the holding of or record keeping or reporting regarding scrap metal, ferrous metal, or nonferrous metal, except for a unit's program that existed before January 1, 2019. Exempts a metals business that reports to a unit with a program that existed before January 1, 2019, from reporting to the program managed by the DHS. Includes a statement by which the general assembly covenants not to repeal or amend the law on valuable metal purchases, except for technical corrections or increases in penalties for violations, before July 1, 2029.



First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

SENATE BILL No. 196

A BILL FOR AN ACT to amend the Indiana Code concerning professions and occupations.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-2.5-8-7, AS AMENDED BY P.L.153-2018,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2019]: Sec. 7. (a) The department may, for good cause, revoke
4 a certificate issued under section 1, 3, or 4 of this chapter. However,
5 the department must give the certificate holder at least five (5) days
6 notice before it revokes the certificate under this subsection. Good
7 cause for revocation may include the following:
8 (1) Failure to:
9 (A) file a return required under this chapter or for any tax
10 collected for the state in trust; or
11 (B) remit any tax collected for the state in trust.
12 (2) Being charged with a violation of any provision under IC 35.
13 (3) Being subject to a court order under IC 7.1-2-6-7,
14 IC 32-30-6-8, IC 32-30-7, or IC 32-30-8.
15 (4) Being charged with a violation of IC 23-15-12.



- 1 **(5) A determination by the department of homeland security**
 2 **that the certificate holder has violated IC 23-37.5-1-2.5.**
 3 The department may revoke a certificate before a criminal adjudication
 4 or without a criminal charge being filed. If the department gives notice
 5 of an intent to revoke based on an alleged violation of subdivision (2),
 6 the department shall hold a public hearing to determine whether good
 7 cause exists. If the department finds in a public hearing by a
 8 preponderance of the evidence that a person has committed a violation
 9 described in subdivision (2), the department shall proceed in
 10 accordance with subsection (i) (if the violation resulted in a criminal
 11 conviction) or subsection (j) (if the violation resulted in a judgment for
 12 an infraction).
- 13 (b) The department shall revoke a certificate issued under section
 14 1, 3, or 4 of this chapter if, for a period of three (3) years, the certificate
 15 holder fails to:
- 16 (1) file the returns required by IC 6-2.5-6-1; or
 17 (2) report the collection of any state gross retail or use tax on the
 18 returns filed under IC 6-2.5-6-1.
- 19 However, the department must give the certificate holder at least five
 20 (5) days notice before it revokes the certificate.
- 21 (c) The department may, for good cause, revoke a certificate issued
 22 under section 1 of this chapter after at least five (5) days notice to the
 23 certificate holder if:
- 24 (1) the certificate holder is subject to an innkeeper's tax under
 25 IC 6-9; and
 26 (2) a board, bureau, or commission established under IC 6-9 files
 27 a written statement with the department.
- 28 (d) The statement filed under subsection (c) must state that:
- 29 (1) information obtained by the board, bureau, or commission
 30 under IC 6-8.1-7-1 indicates that the certificate holder has not
 31 complied with IC 6-9; and
 32 (2) the board, bureau, or commission has determined that
 33 significant harm will result to the county from the certificate
 34 holder's failure to comply with IC 6-9.
- 35 (e) The department shall revoke or suspend a certificate issued
 36 under section 1 of this chapter after at least five (5) days notice to the
 37 certificate holder if:
- 38 (1) the certificate holder owes taxes, penalties, fines, interest, or
 39 costs due under IC 6-1.1 that remain unpaid at least sixty (60)
 40 days after the due date under IC 6-1.1; and
 41 (2) the treasurer of the county to which the taxes are due requests
 42 the department to revoke or suspend the certificate.



1 (f) The department shall reinstate a certificate suspended under
 2 subsection (e) if the taxes and any penalties due under IC 6-1.1 are paid
 3 or the county treasurer requests the department to reinstate the
 4 certificate because an agreement for the payment of taxes and any
 5 penalties due under IC 6-1.1 has been reached to the satisfaction of the
 6 county treasurer.

7 (g) The department shall revoke a certificate issued under section
 8 1 of this chapter after at least five (5) days notice to the certificate
 9 holder if the department finds in a public hearing by a preponderance
 10 of the evidence that the certificate holder has violated IC 35-45-5-3,
 11 IC 35-45-5-3.5, or IC 35-45-5-4.

12 (h) If a person makes a payment for the certificate under section 1
 13 or 3 of this chapter with a check, credit card, debit card, or electronic
 14 funds transfer, and the department is unable to obtain payment of the
 15 check, credit card, debit card, or electronic funds transfer for its full
 16 face amount when the check, credit card, debit card, or electronic funds
 17 transfer is presented for payment through normal banking channels, the
 18 department shall notify the person by mail that the check, credit card,
 19 debit card, or electronic funds transfer was not honored and that the
 20 person has five (5) days after the notice is mailed to pay the fee in cash,
 21 by certified check, or other guaranteed payment. If the person fails to
 22 make the payment within the five (5) day period, the department shall
 23 revoke the certificate.

24 (i) If the department finds in a public hearing by a preponderance of
 25 the evidence that a person has a conviction for a violation of
 26 IC 35-48-4-10.5 and the conviction involved the sale of or the offer to
 27 sell, in the normal course of business, a synthetic drug or a synthetic
 28 drug lookalike substance by a retail merchant in a place of business for
 29 which the retail merchant has been issued a registered retail merchant
 30 certificate under section 1 of this chapter, the department:

31 (1) shall suspend the registered retail merchant certificate for the
 32 place of business for one (1) year; and

33 (2) may not issue another retail merchant certificate under section
 34 1 of this chapter for one (1) year to any person:

35 (A) that:

36 (i) applied for; or

37 (ii) made a retail transaction under;

38 the retail merchant certificate suspended under subdivision

39 (1); or

40 (B) that:

41 (i) owned or co-owned, directly or indirectly; or

42 (ii) was an officer, a director, a manager, or a partner of;



- 1 the retail merchant that was issued the retail merchant
2 certificate suspended under subdivision (1).
- 3 (j) If the department finds in a public hearing by a preponderance of
4 the evidence that a person has a judgment for a violation of
5 IC 35-48-4-10.5 as an infraction and the violation involved the sale of
6 or the offer to sell, in the normal course of business, a synthetic drug
7 or a synthetic drug lookalike substance by a retail merchant in a place
8 of business for which the retail merchant has been issued a registered
9 retail merchant certificate under section 1 of this chapter, the
10 department:
- 11 (1) may suspend the registered retail merchant certificate for the
12 place of business for six (6) months; and
13 (2) may withhold issuance of another retail merchant certificate
14 under section 1 of this chapter for six (6) months to any person:
- 15 (A) that:
- 16 (i) applied for; or
17 (ii) made a retail transaction under;
18 the retail merchant certificate suspended under subdivision
19 (1); or
20 (B) that:
- 21 (i) owned or co-owned, directly or indirectly; or
22 (ii) was an officer, a director, a manager, or a partner of;
23 the retail merchant that was issued the retail merchant
24 certificate suspended under subdivision (1).
- 25 (k) If the department finds in a public hearing by a preponderance
26 of the evidence that a person has a conviction for a violation of
27 IC 35-48-4-10(d)(3) and the conviction involved an offense committed
28 by a retail merchant in a place of business for which the retail merchant
29 has been issued a registered retail merchant certificate under section 1
30 of this chapter, the department:
- 31 (1) shall suspend the registered retail merchant certificate for the
32 place of business for one (1) year; and
33 (2) may not issue another retail merchant certificate under section
34 1 of this chapter for one (1) year to any person:
- 35 (A) that:
- 36 (i) applied for; or
37 (ii) made a retail transaction under;
38 the retail merchant certificate suspended under subdivision
39 (1); or
40 (B) that:
- 41 (i) owned or co-owned, directly or indirectly; or
42 (ii) was an officer, a director, a manager, or a partner of;



1 the retail merchant that was issued the retail merchant
2 certificate suspended under subdivision (1).

3 SECTION 2. IC 25-37.5-1-0.1, AS ADDED BY P.L.224-2013,
4 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2019]: Sec. 0.1. (a) As used in this chapter, "automotive
6 salvage rebuilder" has the meaning set forth in IC 9-13-2-9.

7 (b) As used in this chapter, "automotive salvage recycler"
8 means a person that:

- 9 (1) acquires damaged, inoperative, discarded, abandoned, or
10 salvage vehicles, or their remains, as stock-in-trade;
11 (2) dismantles, shreds, compacts, crushes, or otherwise
12 processes such vehicles or remains for the reclamation and
13 sale of reusable components and parts;
14 (3) disposes of recyclable materials to a scrap metal processor
15 or other appropriate facility; or
16 (4) performs any combination of these actions.

17 For purposes of this chapter, the term includes a used parts dealer
18 that buys scrap metal.

19 SECTION 3. IC 25-37.5-1-0.2, AS ADDED BY P.L.158-2009,
20 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 JULY 1, 2019]: Sec. 0.2. (a) As used in this chapter, "business day"
22 means a day other than a Saturday, Sunday, or legal holiday (as
23 defined in IC 1-1-9-1).

24 (b) As used in this chapter, "core buyer" means a person engaged in
25 the business of purchasing or acquiring small component motor vehicle
26 parts for resale, including catalytic converters, automobile radiators,
27 and batteries.

28 SECTION 4. IC 25-37.5-1-0.7 IS ADDED TO THE INDIANA
29 CODE AS A NEW SECTION TO READ AS FOLLOWS
30 [EFFECTIVE JULY 1, 2019]: Sec. 0.7. As used in this chapter,
31 "metals business" means any of the following:

- 32 (1) An automobile scrapyards (as defined in IC 9-13-2-8).
33 (2) An automotive salvage recycler.
34 (3) A core buyer.
35 (4) A recycling facility (as defined in IC 9-13-2-150.3).
36 (5) A valuable metal dealer.

37 SECTION 5. IC 25-37.5-1-0.8, AS ADDED BY P.L.224-2013,
38 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 JULY 1, 2019]: Sec. 0.8. (a) As used in this chapter, "person"
40 means an individual, a corporation, a limited liability company, a
41 partnership, or another legal entity.

42 (b) As used in this chapter, "unit" has the meaning set forth in



1 **IC 36-1-2-23.**

2 (c) As used in this chapter, "used parts dealer" has the meaning set
3 forth in IC 9-13-2-195.

4 SECTION 6. IC 25-37.5-1-1, AS AMENDED BY P.L.222-2013,
5 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
6 JULY 1, 2019]: Sec. 1. (a) When used in this chapter, "valuable metal"
7 means any product made of metal that readily may be resold. The term:

8 (1) includes metal bossies and small component motor vehicle
9 parts; and

10 (2) does not include the following:

11 (A) A beverage can.

12 (B) Used jewelry regulated under IC 24-4-13.

13 (C) Precious metal regulated under IC 24-4-19.

14 (b) As used in this chapter, "valuable metal dealer" means any
15 ~~individual, firm, corporation, limited liability company, or partnership~~
16 **person** engaged in the business of purchasing and reselling valuable
17 metal either at a permanently established place of business or in
18 connection with a business of an itinerant nature, including junk shops,
19 junk yards, junk stores, auto wreckers, scrap metal dealers or
20 processors, salvage yards, collectors of or dealers in junk, and junk cars
21 or trucks. The term includes a core buyer. The term does not include a
22 person who purchases a vehicle and obtains title to the vehicle.

23 (c) As used in this chapter, "purchase" means acquiring a valuable
24 metal product for a consideration, but does not include purchases
25 between scrap metal processing facilities (as defined in IC 8-23-1-36).

26 SECTION 7. IC 25-37.5-1-1.5 IS ADDED TO THE INDIANA
27 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
28 [EFFECTIVE JULY 1, 2019]: **Sec. 1.5. (a) The reporting**
29 **requirement set forth in section 2.5 of this chapter is imposed:**

30 (1) **except as provided in subdivision (2), beginning July 1,**
31 **2020; or**

32 (2) **if, before July 1, 2020, the executive director of the**
33 **department of homeland security:**

34 (A) **determines that:**

35 (i) **the electronic system through which reports will be**
36 **made under section 2.5 of this chapter will not be ready**
37 **by July 1, 2020; or**

38 (ii) **the rules to be adopted under section 3 of this chapter**
39 **concerning the reports to be made through an electronic**
40 **system under section 2.5 of this chapter will not be in**
41 **effect by July 1, 2020; and**

42 (B) **adopts an emergency rule in the manner provided**



1 **under IC 4-22-2-37.1:**

2 **(i) stating the determination made under clause (A); and**

3 **(ii) setting forth a date by which the electronic system**
 4 **will be ready or the rules will be in effect;**

5 **beginning on the date set forth in the emergency rule under**
 6 **clause (B)(ii).**

7 **(b) This section expires July 1, 2022.**

8 SECTION 8. IC 25-37.5-1-2, AS AMENDED BY P.L.224-2013,
 9 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2019]: Sec. 2. (a) Except as provided in section 5 of this
 11 chapter, every valuable metal dealer in this state shall enter on forms
 12 provided under section 6 of this chapter by the ~~state police~~ department
 13 **of homeland security** for each purchase of valuable metal the
 14 following information:

15 (1) The name and address of the valuable metal dealer.

16 (2) The **time**, date, and place of each purchase.

17 (3) The name, address, age, and driver's license number,
 18 **government issued identification card number**, or Social
 19 Security number of the ~~person or persons~~ **individual** from whom
 20 the valuable metal was purchased.

21 (4) The valuable metal dealer shall verify the identity of the
 22 **person individual** from whom the valuable metal was purchased
 23 by use of a government issued photographic identification. The
 24 valuable metal dealer shall enter on the form the type of
 25 government issued photographic identification used to verify the
 26 identity of the ~~person~~ **individual** from whom the valuable metal
 27 was purchased, together with the:

28 (A) name of the government agency that issued the
 29 photographic identification; and

30 (B) identification number present on the government issued
 31 photographic identification.

32 (5) The motor vehicle license number of the vehicle or
 33 conveyance on which the valuable metal was delivered to the
 34 valuable metal dealer.

35 (6) The price paid for the metal.

36 (7) A description and weight of the valuable metal purchased.

37 ~~(8) The source of the valuable metal.~~

38 ~~(9)~~ **(8)** The photograph described in subsection (b).

39 After entering the information required in this subsection, the valuable
 40 metal dealer shall require the ~~person or persons~~ **individual** from whom
 41 the valuable metal is purchased to sign the form and verify its accuracy.

42 (b) In addition to collecting the information described in subsection



1 (a), a valuable metal dealer shall take a photograph of:

- 2 (1) the ~~person~~ **individual** from whom the valuable metal is being
 3 purchased; and
 4 (2) the valuable metal.

5 (c) In addition to the requirements of subsections (a) and (b), a
 6 valuable metal dealer shall keep a copy of the:

- 7 (1) bill of sale or other written documentation submitted by a
 8 ~~person~~ **an individual** attempting to sell an air conditioner
 9 evaporator coil or condenser under section 8(c) of this chapter;
 10 and
 11 (2) written documentation produced by a ~~person~~ **an individual**
 12 attempting to sell a catalytic converter required by section 9(b) of
 13 this chapter.

14 (d) A valuable metal dealer shall make and retain a copy of the
 15 government issued photographic identification described under
 16 subsection (a)(4) used to verify the identity of the ~~person~~ **individual**
 17 from whom valuable metal was purchased and the photograph
 18 described in subsection (b). However, a valuable metal dealer is not
 19 required to make a copy of a government issued photographic
 20 identification used under subsection (a)(4) to verify the identity of the
 21 ~~person~~ **individual** from whom valuable metal is purchased if the
 22 valuable metal dealer has retained a copy of a ~~person's~~ **an individual's**
 23 government issued photographic identification from a prior purchase
 24 from the ~~person~~ **individual** by the valuable metal dealer.

25 (e) The completed form, the photograph described in subsection (b),
 26 the copy of the bill of sale or other written documentation required by
 27 subsection (c), and the copy of the government issued photographic
 28 identification described in subsection (d) shall be kept in a separate
 29 book or register by the valuable metal dealer and shall be retained for
 30 a period of two (2) years. This book or register shall be made available
 31 for inspection by any law enforcement official at any time.

32 (f) A valuable metal dealer may not accept a damaged or an
 33 undamaged metal beer keg if either of the following applies:

- 34 (1) The keg is clearly marked as the property of a brewery
 35 manufacturer.
 36 (2) The keg's identification markings have been made illegible.

37 SECTION 9. IC 25-37.5-1-2.3 IS ADDED TO THE INDIANA
 38 CODE AS A NEW SECTION TO READ AS FOLLOWS
 39 [EFFECTIVE JULY 1, 2019]: **Sec. 2.3. Prior to reporting for the**
 40 **first time under section 2.5 of this chapter, a metals business shall**
 41 **register with the department of homeland security and pay to the**
 42 **department of homeland security a one (1) time fee of five hundred**



1 dollars (\$500).

2 SECTION 10. IC 25-37.5-1-2.5 IS ADDED TO THE INDIANA
3 CODE AS A NEW SECTION TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2019]: **Sec. 2.5. (a) This section does not**
5 **apply to a metals business that reports to a unit with a reporting**
6 **program that is exempt under section 14 of this chapter.**

7 **(b) The reporting requirement set forth in this section is**
8 **imposed beginning on the date indicated in section 1.5 of this**
9 **chapter.**

10 **(c) For each day on which a metals business purchases valuable**
11 **metal, the metals business shall report electronically to the**
12 **department of homeland security established by IC 10-19-2-1. A**
13 **metals business is required to submit only one (1) electronic report**
14 **under this section for each day on which the metals business**
15 **purchases valuable metal. An electronic report submitted under**
16 **this section:**

17 **(1) must report all valuable metal purchases made by the**
18 **metals business during the day to which the report relates;**
19 **and**

20 **(2) must be submitted electronically to the department of**
21 **homeland security by noon of the business day immediately**
22 **following the day to which the report relates.**

23 **(d) A report made under this section must be submitted in**
24 **English through use of the Internet web site of the department of**
25 **homeland security by:**

26 **(1) manually entering the information about the valuable**
27 **metal purchases of the day;**

28 **(2) manually uploading previously prepared transaction**
29 **reports about the valuable metal purchases of the day; or**

30 **(3) using computer software identified and described in the**
31 **rules adopted under section 3 of this chapter to transmit**
32 **information about the valuable metal purchases of the day;**

33 **in accordance with the rules adopted under section 3 of this**
34 **chapter.**

35 **(e) A report submitted under this section must include the**
36 **information described in section 2(a)(1) through 2(a)(5) of this**
37 **chapter and section 2(a)(7) of this chapter for each valuable metal**
38 **purchase of the day.**

39 **(f) The department of homeland security shall retain**
40 **information submitted electronically under this section for at least**
41 **two (2) years.**

42 **(g) A computer software system used by the department of**



1 homeland security to allow electronic reporting under this section
 2 must remain under the ownership and control of the department
 3 of homeland security and may not be owned or operated by a
 4 private vendor.

5 (h) Substantive conditions or requirements may not be imposed
 6 by the department of homeland security in regard to electronic
 7 reporting under this section other than the conditions and
 8 requirements set forth in this chapter.

9 (i) Except as provided in subsection (j), information reported
 10 electronically to the department of homeland security under this
 11 section:

12 (1) is declared confidential for purposes of IC 5-14-3-4(a)(1);
 13 and

14 (2) may not be disclosed by the department of homeland
 15 security unless access to the information is ordered by a court
 16 under the rules of discovery.

17 (j) Information reported electronically to the department of
 18 homeland security under this section shall be made available to the
 19 state police department and other state, local, and federal law
 20 enforcement agencies for law enforcement purposes.

21 SECTION 11. IC 25-37.5-1-2.7 IS ADDED TO THE INDIANA
 22 CODE AS A NEW SECTION TO READ AS FOLLOWS
 23 [EFFECTIVE JULY 1, 2019]: Sec. 2.7. (a) A person that records or
 24 reports information under this chapter is immune from civil
 25 liability arising from the disclosure of any of the information
 26 through a breach of the security of the computer system on which
 27 the information is stored if the breach is caused:

28 (1) by a person other than; and

29 (2) without the knowledge or consent of;

30 the person that recorded or reported the information.

31 (b) If subsection (a) applies to a person, that person is immune
 32 from civil liability under subsection (a) regardless of whether the
 33 person makes a disclosure or provides notice as provided in
 34 IC 24-4.9-3.

35 SECTION 12. IC 25-37.5-1-3, AS AMENDED BY P.L.134-2012,
 36 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 JULY 1, 2019]: Sec. 3. The superintendent of the state police
 38 department may adopt rules under IC 4-22-2 as may be necessary to
 39 administer and enforce the provisions and intent of this chapter. The
 40 executive director of the department of homeland security
 41 appointed under IC 10-19-3-1:

42 (1) shall adopt rules under IC 4-22-2; and



1 **(2) may adopt emergency rules in the manner provided under**
 2 **IC 4-22-2-37.1;**
 3 **to administer and enforce this chapter, including rules concerning**
 4 **the electronic reporting to the department of homeland security**
 5 **that is required under section 2.5 of this chapter.**

6 SECTION 13. IC 25-37.5-1-5, AS AMENDED BY P.L.224-2013,
 7 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2019]: Sec. 5. The ~~provisions record keeping requirements~~
 9 ~~of sections section 2 of this chapter, the reporting requirements of~~
 10 **section 2.5 of this chapter, and the requirements of the rules**
 11 **adopted under section 3 of this chapter do not apply to:**

12 **(1) purchases of valuable metal from persons, firms, limited**
 13 **liability companies, or corporations a person regularly engaged**
 14 **in:**

15 **(A) the business of manufacturing valuable metals; metal; or**
 16 **(B) the business of selling valuable metals metal at retail or**
 17 **wholesale; to**

18 **(2) the purchase of valuable metal by one (1) valuable metal**
 19 **dealer metals business from another metals business; or**

20 **(3) the purchase of valuable metal from persons, firms, limited**
 21 **liability companies, or corporations a person engaged in either:**

22 **(A) the generation, transmission, or distribution of electric**
 23 **energy; or in**

24 **(B) telephone, telegraph, and other communications;**

25 **if such persons, firms, limited liability companies, or**
 26 **corporations, the person, at the time of the purchase, provide**
 27 **provides the valuable metal dealer purchasing the valuable**
 28 **metal with a bill of sale or other written evidence of title to the**
 29 **valuable metal.**

30 SECTION 14. IC 25-37.5-1-6, AS AMENDED BY P.L.134-2012,
 31 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2019]: Sec. 6. **Before July 1, 2019,** the state police
 33 department shall publish ~~the following~~ on the state police Internet web
 34 site, **and after June 30, 2019, the department of homeland security**
 35 **shall publish on the department of homeland security Internet web**
 36 **site, the following:**

37 **(1) The forms described in section 2(a) of this chapter to be used**
 38 **by valuable metal dealers when purchasing valuable metal.**

39 **(2) A list that describes valuable metal products that are**
 40 **particularly susceptible to theft.**

41 **(3) The:**

42 **(A) statutes; and**



- 1 (B) rules adopted by the superintendent of the state police
 2 ~~department~~ under section 3 of this chapter;
 3 concerning the regulation of valuable ~~metal dealers~~: **metal**.
- 4 SECTION 15. IC 25-37.5-1-7, AS AMENDED BY P.L.224-2013,
 5 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2019]: Sec. 7. (a) A ~~valuable metal dealer~~ **metals business**
 7 ~~who that knowingly or intentionally~~ fails to comply with this chapter
 8 commits a Class A ~~infraction~~: **misdemeanor**.
- 9 (b) A person that ~~recklessly~~ sells or attempts to sell ~~stolen~~ valuable
 10 metal to a ~~valuable metal dealer~~ that fails to comply with this chapter
 11 ~~metals business~~ commits a Class A ~~infraction~~: **misdemeanor**.
- 12 SECTION 16. IC 25-37.5-1-11 IS ADDED TO THE INDIANA
 13 CODE AS A NEW SECTION TO READ AS FOLLOWS
 14 [EFFECTIVE JULY 1, 2019]: **Sec. 11. If the department of**
 15 **homeland security determines that a metals business has violated**
 16 **section 2.5 of this chapter, the department of homeland security**
 17 **shall notify the secretary of state and the department of state**
 18 **revenue of the violation.**
- 19 SECTION 17. IC 25-37.5-1-12 IS ADDED TO THE INDIANA
 20 CODE AS A NEW SECTION TO READ AS FOLLOWS
 21 [EFFECTIVE JULY 1, 2019]: **Sec. 12. (a) The secretary of state shall**
 22 **commence a proceeding under this section to administratively**
 23 **dissolve a metals business if the secretary of state has been notified**
 24 **by the department of homeland security of the determination that**
 25 **the business entity is in violation of section 2.5 of this chapter.**
- 26 (b) If the secretary of state commences an administrative
 27 dissolution under subsection (a), the secretary of state shall:
- 28 (1) serve the business entity with written notice of the
 29 determination made by the department of homeland security
 30 that the metals business is in violation of section 2.5 of this
 31 chapter; and
- 32 (2) provide a copy of the notice to the department of
 33 homeland security at the same time notice is sent to the metals
 34 business under subdivision (1).
- 35 (c) The notice must inform the metals business that the metals
 36 business must do either of the following not later than sixty (60)
 37 days after the date of service of the notice is perfected:
- 38 (1) Correct the grounds for dissolution.
- 39 (2) Demonstrate to the reasonable satisfaction of the
 40 department of homeland security that the grounds for
 41 dissolution do not exist.
- 42 (d) If a metals business that receives a notice under subsection



1 (b) does not:

- 2 (1) correct the grounds for dissolution; or
 3 (2) demonstrate to the reasonable satisfaction of the
 4 department of homeland security that the grounds for
 5 dissolution do not exist;

6 at any time during the period prescribed by the notice, the
 7 department of homeland security shall notify the secretary of state
 8 in writing of the continuing violation.

9 (e) After receiving the written notice under subsection (d) the
 10 secretary of state shall:

- 11 (1) administratively dissolve the metals business by signing a
 12 certificate of dissolution that recites the grounds for
 13 dissolution and the effective date of the dissolution;
 14 (2) file the original certificate of dissolution; and
 15 (3) serve a copy of the certificate of dissolution on the metals
 16 business.

17 (f) A metals business administratively dissolved under this
 18 section may carry out only those activities necessary to appeal the
 19 administrative dissolution or to wind up and liquidate the affairs
 20 of the metals business.

21 (g) Administrative dissolution under this section is in addition
 22 to any penalties imposed under IC 6-2.5-8-7.

23 SECTION 18. IC 25-37.5-1-13 IS ADDED TO THE INDIANA
 24 CODE AS A NEW SECTION TO READ AS FOLLOWS
 25 [EFFECTIVE JULY 1, 2019]: Sec. 13. (a) A metals business
 26 administratively dissolved under section 12 of this chapter may
 27 appeal the administrative dissolution to the circuit court or
 28 superior court of:

- 29 (1) the county in which the metals business maintains a place
 30 of business;
 31 (2) the county containing the office of the registered agent of
 32 the metals business, if it does not have a place of business in
 33 Indiana; or
 34 (3) Marion County, if the metals business has neither a place
 35 of business nor a registered agent in Indiana;

36 not later than thirty (30) days after the date of service of the notice
 37 of administrative dissolution is perfected.

38 (b) The court may do the following:

- 39 (1) Order the secretary of state to reinstate a dissolved metals
 40 business.
 41 (2) Take other action the court considers appropriate.

42 (c) The court's final decision may be appealed as in other civil



- 1 **proceedings.**
 2 SECTION 19. IC 25-37.5-1-14 IS ADDED TO THE INDIANA
 3 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 4 [EFFECTIVE JULY 1, 2019]: **Sec. 14. (a) This section does not apply**
 5 **to a unit with a scrap metal, ferrous metal, or nonferrous metal**
 6 **reporting program created before January 1, 2019.**
 7 **(b) A unit may not adopt or enforce an ordinance or resolution**
 8 **to regulate a metals business in any manner regarding:**
 9 **(1) the holding of; or**
 10 **(2) record keeping or reporting regarding;**
 11 **scrap metal, ferrous metal, or nonferrous metal.**
 12 **(c) This section does not limit the authority of a unit to impose**
 13 **within its jurisdiction:**
 14 **(1) zoning or land use restrictions;**
 15 **(2) general business licensing requirements;**
 16 **(3) authorized business taxes; or**
 17 **(4) restrictions or requirements relating to holding, record**
 18 **keeping, or reporting;**
 19 **that are not in conflict with subsection (b) or the Indiana Code.**
 20 **(d) Except as provided in subsection (e), a unit's issuance of a**
 21 **permit or license to do business within the boundaries of the unit**
 22 **shall not be contingent upon the reporting of scrap metal, ferrous**
 23 **metal, or nonferrous metal to a third party reporting system.**
 24 **(e) A unit may require the reporting of scrap metal, ferrous**
 25 **metal, or nonferrous metal to an applicable reporting system**
 26 **described:**
 27 **(1) in subsection (a);**
 28 **(2) in section 2.5 of this chapter; or**
 29 **(3) under existing state law.**
 30 SECTION 20. IC 25-37.5-1-15 IS ADDED TO THE INDIANA
 31 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 32 [EFFECTIVE JULY 1, 2019]: **Sec. 15. (a) The general assembly**
 33 **covenants that it will not repeal or amend this chapter, except for**
 34 **amendments:**
 35 **(1) that make technical corrections; or**
 36 **(2) that increase the penalties for violations of the statutes**
 37 **concerning the theft of metal;**
 38 **before July 1, 2029.**
 39 **(b) This section expires July 1, 2029.**
 40 SECTION 21. IC 34-30-2-101.7 IS ADDED TO THE INDIANA
 41 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 42 [EFFECTIVE JULY 1, 2019]: **Sec. 101.7. IC 25-37.5-1-2.7**



1 **(Concerning the disclosure of information about valuable metal**
2 **purchases through a breach of the security of a computer system).**
3 SECTION 22. IC 35-52-25-61.5 IS ADDED TO THE INDIANA
4 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2019]: **Sec. 61.5. IC 25-37.5-1-7 defines a**
6 **crime concerning valuable metal.**

