



February 22, 2019

SENATE BILL No. 196

DIGEST OF SB 196 (Updated February 20, 2019 11:08 am - DI 128)

Citations Affected: IC 25-37.5.

Synopsis: Electronic reporting of valuable metal purchases. Transfers authority of the state police department with respect to valuable metals dealers to the state of Indiana. Defines "automotive salvage recycler". Allows a political subdivision that required valuable metal reporting by an automotive salvage recycler, before July 1, 2019, to continue such requirements. Provides that the state of Indiana or political subdivision may not enforce a subscription use agreement by and between an automotive salvage recycler and a third party reporting system that enables the sale of information reported in any manner. Provides that information reported by an automotive salvage recycler may only be used for law enforcement purposes. Makes a valuable metal dealer 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 valuable metal dealer.

Effective: July 1, 2019.

Head

January 3, 2019, read first time and referred to Committee on Judiciary.
February 21, 2019, amended, reported favorably — Do Pass.

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February 22, 2019

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

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

7 (1) acquires damaged, inoperative, discarded, abandoned, or
8 salvage vehicles, or their remains, as stock-in-trade;

9 (2) dismantles, shreds, compacts, crushes, or otherwise
10 processes such vehicles or remains for the reclamation and
11 sale of reusable components and parts;

12 (3) disposes of recyclable materials to a scrap metal processor
13 or other appropriate facility; or

14 (4) performs any combination of these actions.

15 (c) For purposes of this chapter, the term "automotive salvage

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1 **recycler":**

- 2 **(1) includes a used parts dealer that buys scrap metal; and**
 3 **(2) does not include an automotive auction licensee under**
 4 **IC 9-32-11.**

5 SECTION 2. IC 25-37.5-1-1, AS AMENDED BY P.L.222-2013,
 6 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2019]: Sec. 1. (a) When used in this chapter, "valuable metal"
 8 means any product made of metal that readily may be resold. The term:

- 9 (1) includes metal bossies and small component motor vehicle
 10 parts; and
 11 (2) does not include the following:
 12 (A) A beverage can.
 13 (B) Used jewelry regulated under IC 24-4-13.
 14 (C) Precious metal regulated under IC 24-4-19.

15 (b) As used in this chapter, "valuable metal dealer" means any
 16 ~~individual, firm, corporation, limited liability company, or partnership~~
 17 **person** engaged in the business of purchasing and reselling valuable
 18 metal either at a permanently established place of business or in
 19 connection with a business of an itinerant nature, including junk shops,
 20 junk yards, junk stores, auto wreckers, scrap metal dealers or
 21 processors, salvage yards, collectors of or dealers in junk, and junk cars
 22 or trucks. The term includes a core buyer. The term does not include a
 23 person who purchases a vehicle and obtains title to the vehicle, **or**
 24 **otherwise purchases the vehicle in accordance with IC 9-22-5,**
 25 **unless the person also purchases valuable metal.**

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

29 SECTION 3. IC 25-37.5-1-1.5 IS ADDED TO THE INDIANA
 30 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 31 [EFFECTIVE JULY 1, 2019]: **Sec. 1.5. After July 1, 2019, the state**
 32 **of Indiana shall be the sole authority for requiring electronic**
 33 **reporting of valuable metal purchases by an automotive salvage**
 34 **recycler.**

35 SECTION 4. IC 25-37.5-1-2.7 IS ADDED TO THE INDIANA
 36 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 37 [EFFECTIVE JULY 1, 2019]: **Sec. 2.7. (a) A person that records or**
 38 **reports information under this chapter is immune from civil**
 39 **liability arising from the disclosure of any of the information**
 40 **through a breach of the security of the computer system on which**
 41 **the information is stored if the breach is caused:**

- 42 **(1) by a person other than; and**



1 **(2) without the knowledge or consent of;**
2 **the person that recorded or reported the information.**

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

7 SECTION 5. IC 25-37.5-1-11 IS ADDED TO THE INDIANA
8 CODE AS A NEW SECTION TO READ AS FOLLOWS
9 [EFFECTIVE JULY 1, 2019]: **Sec. 11. (a) Except as provided in**
10 **subsection (b), a political subdivision that, before July 1, 2019,**
11 **required valuable metal reporting by an automotive salvage**
12 **recycler, may continue requiring valuable metal reporting by an**
13 **automotive salvage recycler.**

14 **(b) The state of Indiana or a political subdivision after June 30,**
15 **2019, may not enforce a subscription use agreement between an**
16 **automotive salvage recycler and a third party reporting system**
17 **that enables the sale of information reported in any manner. The**
18 **information reported by an automotive salvage recycler may only**
19 **be used for law enforcement purposes.**



COMMITTEE REPORT

Madam President: The Senate Committee on Judiciary, to which was referred Senate Bill No. 196, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 1 through 15.

Delete pages 2 through 5.

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

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

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

(c) For purposes of this chapter, the term "automotive salvage recycler":

- (1) includes a used parts dealer that buys scrap metal; and**
- (2) does not include an automotive auction licensee under IC 9-32-11."**

Page 6, line 22, delete "vehicle." and insert "vehicle, **or otherwise purchases the vehicle in accordance with IC 9-22-5, unless the person also purchases valuable metal.**"

Page 6, line 28, delete "(a) The reporting" and insert "**After July 1, 2019, the state of Indiana shall be the sole authority for requiring electronic reporting of valuable metal purchases by an automotive salvage recycler.**"

Page 6, delete lines 29 through 42.

Delete pages 7 through 9.

Page 10, delete lines 1 through 20.

Page 10, delete lines 35 through 42, begin a new paragraph and insert:

"SECTION 15. IC 25-37.5-1-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 11. (a) Except as provided in**

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subsection (b), a political subdivision that, before July 1, 2019, required valuable metal reporting by an automotive salvage recycler, may continue requiring valuable metal reporting by an automotive salvage recycler.

(b) The state of Indiana or a political subdivision after June 30, 2019, may not enforce a subscription use agreement between an automotive salvage recycler and a third party reporting system that enables the sale of information reported in any manner. The information reported by an automotive salvage recycler may only be used for law enforcement purposes."

Delete pages 11 through 15.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 196 as introduced.)

HEAD, Chairperson

Committee Vote: Yeas 8, Nays 0.

