



ARIZONA STATE SENATE
Fiftieth Legislature, Second Regular Session

AMENDED
FACT SHEET FOR H.B. 2087

PSPRS; trustees; employment agreements
(NOW: batteries; catalytic converters; reporting; dealers)

Purpose

Outlines requirements for the keeping, reporting and inspection of records pertaining to the receipt and sale of lead acid batteries. Establishes required procedures for the purchase of and payment for lead acid batteries. Prohibits the purchase or sale of a used catalytic converter by a scrap metal dealer.

Background

A lead acid battery is defined in statute as a battery with a core of elemental lead and a capacity greater than six volts, which is suitable for use in a vehicle or boat. Due to the toxic nature of lead the disposal of lead acid batteries in a landfill or by incineration is prohibited. The Arizona Department of Environmental Quality regulates battery collection and authorizes battery recycling facilities as a means of preventing illegal disposal. The seller of a lead acid battery is required by statute to accept used batteries for recycling and charge a refundable fee for their sale.

This legislation may result in impact to the state General Fund, however the Department of Public Safety cannot presently quantify the cost of implementation and enforcement.

Provisions

Physical Record of Receipt

1. Requires a used automotive components dealer to maintain a printed record of transactions involving the receipt of two or more lead acid batteries. This record must contain:
 - a) the date, time, place and amount of the transaction;
 - b) a photograph and identifying description of the lead acid batteries received;
 - c) the seller's name, physical description, physical address, date of birth and signature;
 - d) a photocopy of the seller's identification;
 - e) the seller's transaction privilege tax number, if applicable;
 - f) state and number of the license for the vehicle used to deliver lead acid batteries;
 - g) a photographic, video or digital record of the seller;
 - h) the seller's right index fingerprint.
2. Exempts the following from reporting requirements:
 - a) automotive recyclers, and

- b) sellers required to accept used lead acid batteries for recycling, in accordance with statute.
- 3. Requires the printed record of lead acid battery transactions to be kept for two years after the last entry is made.
- 4. Requires a used automotive components dealer's business premises, inventory and records related to lead acid battery transactions be open to inspection by a peace officer during regular business hours.
- 5. Categorizes the failure to maintain, knowing destruction or refusal to allow authorized inspection of a lead acid battery transaction record as a class 1 misdemeanor.
- 6. Prohibits the serial purchase of single lead acid batteries with the intent of circumventing reporting requirements.

Electronic Transaction Record

- 7. Directs the Department of Public Safety (DPS) to establish standards compatible with at least four currently used record keeping software programs for the electronic submission of records pertaining to the receipt of lead acid batteries.
- 8. Stipulates that in all transactions of lead acid batteries where a record must be kept a record containing the following information must also be electronically submitted to DPS:
 - a) the date, time, place and amount of the transaction;
 - b) an identifying description of the lead acid batteries received;
 - c) the seller's name, physical description, physical address, date of birth and signature;
 - d) a photocopy of the seller's identification;
 - e) state and number of the license for the vehicle used to deliver lead acid batteries.
- 9. Directs DPS to make information submitted in a lead acid battery transaction available to local law enforcement.
- 10. Classifies the failure to electronically file a required report within 24 hours of receipt of lead acid batteries as a class 1 misdemeanor.

Transaction Restrictions

- 11. Requires a used automotive components dealer to maintain custody of a lead acid battery of identical size, shape and condition for seven days after the filing of a required electronic report, unless:
 - a) the transaction has a value of less than \$100,
 - b) the transaction was performed through an industrial account,
 - c) the lead acid batteries are authorized for release by a peace officer.
- 12. Stipulates that a used automotive components dealer in a lead acid battery transaction greater than \$300 is:

- a) prohibited from providing payment on site,
 - b) required to mail payment by check or money order to the address provided by the seller on identification reported in the physical record of receipt.
13. Exempts an industrial account that annually preregisters employees as authorized sellers from payment restrictions.
14. Prohibits individual sellers from participating in more than one cash transaction for lead acid batteries per day.
15. Requires individual lead acid battery sellers to be 16 years of age or older.

Definitions

16. Defines a *used automotive components dealer* as any business other than an automotive recycler that purchases components of a motor vehicle with intent to resell.

Miscellaneous

17. Prohibits a scrap metal dealer from lawfully purchasing or selling a used catalytic converter.
18. Becomes effective on the general effective date.

Amendments adopted committee

- Adopted the strike everything amendment

Senate Action

FIN	3/15/2012	DPA	5-1-1-0
3 rd Read	2/28/12		19-11-0-0

Prepared by Senate Research

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