

**OFFICE OF THE MISSISSIPPI SECRETARY OF STATE
REGULATION AND ENFORCEMENT**

IN THE MATTER OF:	)	ADMINISTRATIVE
CHRISTOPHER JARRELL	)	PROCEEDING NUMBER:
HATTIESBURG RECYCLING, LLC	)	LM-16-1665
427 Roy Tucker Road	)	SOS REGISTRATION
Hattiesburg, MS 39401	)	150614406
<i>Respondent</i>)	

FINAL ORDER REVOKING METAL DEALER LICENSE

A hearing was held on March 17, 2016, regarding Hattiesburg Recycling, LLC, on administrative charges issued by the Division alleging violations of the Mississippi Scrap Metal Dealer Act of 2008, codified at Mississippi Code Annotated Section 97-17-71, *et seq.*

Specifically, the Division alleged that Hattiesburg Recycling, LLC, owned by Christopher Jarrell, was in violation of the Act for the following reasons:

1. Paying cash on the spot for metal property, a violation of Mississippi Code Annotated Section 97-17-71(8);
2. Failing to capture any of the identifying information from customers as required by Mississippi Code Annotated Section 97-17-71(2);
3. Failing to upload customer information to the electronic database where the same can be accessed by law enforcement for investigative purposes in violation of 1 Miss. Code R. Section 1-000-130(5.1); and,
4. Failing to separately hold and tag metal purchases for a period of three (3) business days as required by Mississippi Code Annotated Section 97-17-71(3).

Following a hearing on the charges, a Final Order was entered by the Undersigned on April 26, 2016, finding that the charges issued by the Division were substantiated. As a result, the Final Order imposed an administrative penalty in the amount of two thousand dollars (\$2,000.00). Hattiesburg Recycling, LLC, took no appeal of the agency's Final Order, which is attached for reference as Exhibit 1.

On June 20, 2016, the Division issued a letter to the business reminding that the fine in the amount of \$2,000.00 was due and payable. Mr. Jarrell received the letter and signed for the same on June 22, 2016. However, no payment was received. Therefore, on September 9, 2016, the Division issued a second notice to the business informing it that nonpayment of the fine placed the business at risk of revocation of its license to act as a scrap metal dealer if payment was not received by Friday, September 23, 2016. The letter of September 9, 2016, was received by the business on September 12, 2016. A copy of the letter is attached as Exhibit 2. Again, the business failed to comply.

Thereafter, on October 19, 2016, an examiner with the Regulation and Enforcement Division of the Secretary of State's Office hand-delivered a notice to Hattiesburg Recycling, LLC, informing its owner Mr. Christopher Jarrell of the Division's Intent to Revoke the Scrap Metal Dealer License issued to the business, the same being License No. 150614406. See Exhibit 3. Pursuant to Mississippi Code Annotated 97-17-71.1(1)(c), the Secretary of State may revoke a license, "following notice to the . . . registrant in accordance with the promulgated rules and an opportunity for a hearing for any failure to comply with this section, or for other good cause." Pursuant to Mississippi Administrative Code Title 1, Part 13, Chapter 9, Rule 9.1, a registrant has fourteen (14) calendar days to request a hearing after receiving written notice of the Secretary of State's Intent to Revoke the registrant's scrap metal dealer license. The failure

to make a written request for a hearing will result in revocation of the license. Hattiesburg Recycling, LLC, failed to request a hearing prior to 5:00 p.m. on November 2, 2016, or to make any response at all to the Notice of Intent to Revoke.

THEREFORE, IT IS HEREBY ORDERED, that the Scrap Metal Dealer License No. 150614406, issued to Hattiesburg Recycling, LLC, is hereby **REVOKED**, effective immediately. The administrative penalty in the amount of Two Thousand Dollars (\$2,000.00) remains due and payable. Hattiesburg Recycling, LLC, is **ORDERED** to immediately **CEASE** and **DESIST** from the purchase of regulated metals which are identified in Exhibit 4 to this Final Order.

Finally, it is further **ORDERED** that a certified copy of this Final Order Revoking the Scrap Metal Dealer License for Hattiesburg Recycling, LLC, shall be hand delivered forthwith to Mr. Christopher Jarrell, owner; to the Chief of Police for the City of Hattiesburg; and, to the Sheriff of Forrest County, Mississippi.

SO ORDERED and ADJUDGED.

This, the 14th day of November, 2016.



C. Delbert Hosemann, Jr.
C. DELBERT HOSEMANN, JR.
*In his official capacity as Secretary of
State of the State of Mississippi*

**OFFICE OF THE MISSISSIPPI SECRETARY OF STATE
REGULATION AND ENFORCEMENT**

IN THE MATTER OF:	)	ADMINISTRATIVE
CHRISTOPHER JARRELL	)	PROCEEDING NUMBER:
HATTIESBURG RECYCLING, LLC	)	LM-16-1665
427 Roy Tucker Road	)	SOS REGISTRATION
Hattiesburg, MS 39401	)	150614406
)	
<i>Respondent</i>)	

FINAL ORDER

This cause came before a hearing officer on March 17, 2016. On or about March 28, 2016, the Hearing Officer submitted his proposed Findings of Fact and Conclusions of Law, attached as Exhibit A to this Final Order. By letter dated March 31, 2016, Respondent, Hattiesburg Recycling, LLC, was afforded an opportunity to submit any written comment or input to the Secretary of State before issuance of a Final Order in this cause. The Respondent failed to submit a response prior to the stated deadline of April 15, 2016. Therefore, the above-styled cause stands ready for final adjudication via this Final Order.

Upon reviewing the recommendation of the hearing officer, the Undersigned accepts and adopts, in total, the hearing officer's proposed findings of fact. The same, which are attached as Exhibit A, are fully incorporated into the content of this Final Order. However, as to the proposed conclusions of law, the Undersigned makes the following amendments for the following reasons.

The hearing officer determined that the Respondent committed the following violations:

1. Paying cash on the spot for metal property, a violation of Mississippi Code Annotated Section 97-17-71(8);



2. Failing to capture any of the identifying information from a customer as required by Mississippi Code Annotated Section 97-17-71(2);
3. Failing to upload customer information to the electronic database where it can be accessed by law enforcement for investigative purposes in violation of 1 Miss. Code R. Section 1-000-130(5.1).
4. Failing to tag and hold separately metal purchases from other metal purchases for a period of 3 business days as required by Mississippi Code Annotated Section 97-17-71(3); and,

These violations are among the most egregious and severe violations that can be committed by a business subject to the Mississippi Scrap Metal Dealer Act of 2008. For this reason, the Division sought a penalty in the amount of four thousand dollars (\$4,000.00).

Mississippi Code Annotated Section 97-17-71.1(5)(1)(c)(i) provides the penalties for civil enforcement that can be imposed by the Secretary of State's Office for violations of the 2008 Scrap Metal Dealer Act. This section sets a cap at \$1000.00 for each offense. In the hearing officer's recommendation, the recommended penalty of \$750.00 is made pursuant to Mississippi Code Annotated Section 97-17-71.1(2). However, Section 97-17-71.1(2) provides the fining authority that results from criminal prosecutions under the Act—not civil enforcement penalties. Therefore, given the severity of the violations as determined by the hearing officer and our interest to achieve parity for similarly situated businesses found liable for committing comparable violations under the Act, the recommended penalty of \$750.00 is increased. In its stead, this Office is imposing a higher penalty in the amount of Two Thousand Dollars (\$2000.00) for the violations stated in this Final Order and Exhibit A.

IT IS HEREBY ORDERED, that Christopher Jarrell shall pay an administrative penalty in the amount of Two Thousand Dollars (\$2,000.00), to be paid to the Secretary of State on or before May 31, 2016.

SO ORDERED and ADJUDGED.

This, the 26th day of April, 2016.

C. Delbert Hosemann, Jr.

C. DELBERT HOSEMANN, JR.

*In his official capacity as Secretary of
State of the State of Mississippi*



DELBERT HOSEMAN, SECRETARY OF STATE
OFFICE OF THE MISSISSIPPI SECRETARY OF STATE
REGULATION AND ENFORCEMENT DIVISION

IN THE MATTER OF:

CHRISTOPHER JARRELL
HATTIESBURG RECYCLING, LLC
427 ROY TUCKER ROAD
HATTIESBURG, MS 39401

SOS PROCEEDING NUMBER: LM-16-1665
SOS REGISTRATION NO. 150614406 (Exp. 6/04/2017)

FINAL ORDER, FINDINGS OF FACT AND CONCLUSIONS OF LAW

The undersigned was appointed by the Secretary of State of the State of Mississippi to conduct a hearing and issue a Findings of Fact and Conclusions of Law in the referenced matter. A hearing was held before the undersigned on March 17, 2016, at the office of the undersigned located at 309 South 40th Avenue, Hattiesburg, MS 39402, at which David Penson, examiner and Regulation and Enforcement Officer for the Mississippi Secretary of State, appeared and at which Christopher Jarrell ("Jarrell") appeared individually on behalf of himself. The said David Penson was sworn in, testified and was represented by counsel for the Mississippi Secretary of State. Dave Scott, Assistant Secretary of State, Regulation and Enforcement, presented exhibits along with his testimony. Christopher Jarrell presented testimony only.

FINDINGS OF FACT

The Secretary of State made allegations of violations of the Mississippi Code Annotated (the "Code") and/or the Secretary of State Regulations. They are:

1. In violation of §97-17-71(8), Jarrell entered into cash transactions in payment for the purpose of metal property. Said statute requires that all



purchases be made by check. David Penson testified that on November 12, 2015, he sold thirty-two (32) pounds of regulated copper to Hattiesburg Recycling. Mr. Penson testified that he was paid cash on the spot for these items in the total amount of \$9.60. The cash was attached as an exhibit.

2. §97-17-71(2) provides that a purchaser must get the following information:
 - a. The name, address and age of the person from whom the metal property is purchased as obtained from the seller's personal identification card;
 - b. The date and place of each acquisition of the metal property;
 - c. The weight, quantity or volume and a general physical description of the type of metal property, such as wire, tubing, extrusions or casing, purchased in a purchase transaction;
 - d. The amount of consideration given in a purchase transaction for the metal property;
 - e. The vehicle license tag number, state of issue and the make and type of the vehicle used to deliver the metal property to the purchaser;
 - f. If a person other than the seller delivers the metal property to the purchaser, the name, address and age of the person who delivers the metal property;
 - g. A signed statement from the person receiving consideration in the purchase transaction stating that he is the rightful owner of the metal property or is entitled to sell the metal property being sold;
 - h. A scanned copy or a photocopy of the personal identification card of the person receiving consideration in the purchase transaction.

Mr. Penson testified that on November 12, 2015, Jarrell purchased regulated metal materials from him, and that Jarrell failed to get his address, vehicle license tag number, state of issue, make and type of vehicle used in delivery of the material, a picture of the regulated materials purchased, a picture of customer's facial features, and a picture of the customer's government issued I.D. In addition, Mr. Penson testified that none of said information required above was obtained from him or uploaded to LeadsOnline. Furthermore, Mr. Penson testified that in a five and a half month period from September 1, 2015, to February 16, 2016, the business only uploaded seven days of customer transactions to LeadsOnline.

3. Miss. Code R. §1-000-130(5.1) provides that customer transaction records of all regulated metal purchases must be uploaded with the Secretary of State's agent, LeadsOnLine, by 5:00 p.m. the day following the date of purchase. Mr. Person testified that Jarrell failed to capture the required information.
4. Mr. Person testified that on November 2, 2015, while conducting a sale of regulated materials to Hattiesburg, Mr. Person notified several bins of copper material. He testified that he did not observe any identifying labels or tags that would identify the seller of the copper material. Mr. Person further testified that after the material was purchased and weighed, it was added to the other copper material without any identifying tags or markings, nor were the materials photographed as required by law.
6. Miss. Code Ann. §97-17-71.1 provides that it is unlawful for any scrap dealer or any person who purchases scrap metal, deals with scrap metal, or otherwise engages in the scrap metal business to fail to register with the Secretary of State.

CONCLUSIONS OF LAW

1. Miss. Code §97-17-71 (16) states basically that any person who willfully or unknowingly violates the provisions of this section shall, upon conviction thereof, be deemed guilty of a misdemeanor, shall be punished by a fine not to exceed One Thousand Dollars (\$1,000.00) per offense. The section further provides that if the purchases were in the aggregate more than Five Hundred Dollars (\$500.00), the person would be deemed guilty of a felony and shall be imprisoned

in the custody of the Department of Corrections for a term not to exceed ten (10) years and fined no more than Ten Thousand Dollars (\$10,000.00), or both.

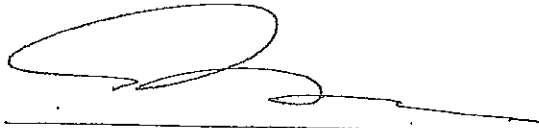
2. Miss. Code §97-17-71.1 (2) provides that a violation of this section is a misdemeanor punishable by a fine of not less than Five Hundred Dollars (\$500.00), but not to exceed One Thousand Dollars (\$1,000.00) for the first offense. Any person guilty of subsequent violations would be guilty of a felony and could be imprisoned in the custody of the Department of Corrections for a term not to exceed three (3) years and fined not more than Five Thousand Dollars (\$5,000.00), or both.

CONCLUSION AND AWARD

The Hearing Officer finds that Christopher Jarrell and Hattiesburg Recycling have violated Mississippi laws and regulations of the Secretary of State relating to the regulation of scrap metal sales in the manner as found above, and the penalties applicable to those violations as set forth above.

The Hearing Officer finds that Christopher Jarrell is guilty of a misdemeanor and is hereby fined the sum and amount of Seven Hundred Fifty Dollars (\$750.00).

WITNESS MY SIGNATURE on this, the 28th day of MARCH, 2016.



ROBERT T. JACKSON, SR.
Hearing Officer



DELBERT HOSEMANN
Secretary of State

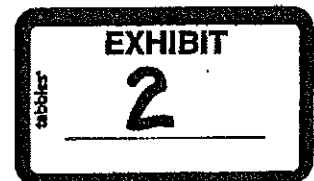
September 9, 2016

Christopher Jarrell
Hattiesburg Recycling, LLC
427 Roy Tucker Road
Hattiesburg, MS 39401

Batch #: 106
Article #: 71154411775500000590
Date/Time: 9/9/2016 2:15:42 PM
Code:
Code2:
File #:
Internal File #:
Internal Code #:

Certified Mail/Return Receipt Requested
U.S. Mail/First Class Delivery

Re: Hattiesburg Recycling, LLC
SOS Cause No. LM-16-1665
SOS Registration No. 150614406 (Exp. 6/04/2017)



Dear Mr. Jarrell:

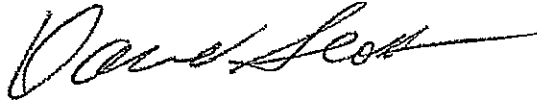
A Final Order was issued against you on April 26, 2016. You did not appeal the Final Order within 30 days. Another copy of the Final Order is enclosed. The \$2,000.00 fine issued against you is overdue and remains payable. Please note that under Mississippi Code Annotated § 97-17-71.1(1)(c), the Secretary of State, after giving notice and "an opportunity for a hearing" to a scrap metal dealer, "may deny, suspend, revoke or refuse to renew" a scrap metal dealer's registration when there is "good cause" to do so.

In short, we will seek to have your license revoked if this fine is not paid. If your license is revoked by this Office, it means that you cannot purchase regulated metals. Additionally, you may be at risk for additional financial penalties in a subsequent action by our Office for revocation of your license. Payment must be received by this Office prior to the close of business on **Friday, September 23, 2016 at 5:00 p.m. (Central)**.

The payment should be made to the Secretary of State and mailed to P.O. Box 136, Jackson, MS 39205. If you mail the payment, please enclose the first page of the Final Order, so our Finance office can match the fine with the correct case. Additionally, if you mail the payment, you must ensure that it arrives in our Office by the close of business on **September 23, 2016**.

Please contact me at 601-359-9055 if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Dave Scott". The signature is written in black ink and has a long, sweeping horizontal line extending to the right.

Dave Scott
Assistant Secretary of State
Regulation and Enforcement

Enclosure

2. Article Number

7115 4411 7755 0000 0590

1. Article Addressed to:

Christopher Jarell
Hattiesburg Recycling, LLC
427 Roy Tucker Road
Hattiesburg, MS 39401

Code 2:

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
Vonda Kraus Addressee

B. Received by (Printed Name) *Vonda Kraus* C. Date of Delivery *7-12*

D. Is delivery address different from item 1? Yes
If YES enter delivery address below: No

SEP 12 2008

3. Service Type Certified

4. Restricted Delivery? (Extra Fee) Yes



DELBERT HOSEMANN
Secretary of State

October 19, 2016

Christopher Jarrell
Hattiesburg Recycling, LLC
427 Roy Tucker Road
Hattiesburg, MS 39401

By: HAND DELIVERY

Re: Notice of Intent to Revoke License
Hattiesburg Recycling, LLC
SOS Cause No. LM-16-1665
SOS Registration No. 150614406 (Exp. 6/04/2017)



Dear Mr. Jarrell:

It is very important that you read this letter and fully understand its contents. This notice describes very important consequences concerning your scrap metal dealer license and your ability to conduct business. If you have any questions, you should contact me at 601-359-9055. Because you are indebted to the State and have failed to comply with the Final Order issued against you on April 26, 2016, the Regulation and Enforcement Division of the Secretary of State's Office (hereinafter "Division") is seeking revocation of your license as a scrap metal dealer.

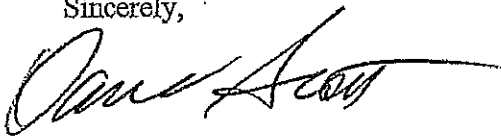
The Secretary of State has the authority under Miss. Code Ann. § 97-17-71.1(c) (2016) to revoke a scrap metal dealer's license for rule violations "or for other good cause." A copy of this statute is enclosed. Additionally, Rule 9.1 of Title 1, Part 13 of the Mississippi Administrative Code provides that your license will be revoked fourteen (14) calendar days from today, October 19, 2016, if you fail to make a written request for a hearing. A copy of Rule 9.1, titled ""Notice" is attached.

On March 17, 2016, a hearing was held on charges that you unlawfully paid cash for the purchase of regulated materials, that you failed to upload customer transactions of regulated materials, and that you failed to tag and hold your purchases. The Secretary of State issued a Final Order against you on April 26, 2016; and, in accordance with that Order you were required to pay a fine in the amount of \$2,000.00. You did not appeal the Final Order, and you did not pay the fine by the due date. The Division sent letters on multiple occasions asking you to pay the fine. Specifically, you were sent letters from this Office on April 29, 2016, and on June 20, 2016. I have attached a copy of these letters. The most recent letter was mailed to you on

September 9, 2016, and the United States Postal Service delivered it on September 12, 2016. That letter warned you of the potential revocation of your license. Specifically, the letter of September 9, 2016 stated that action would be taken to revoke your license if the fine was not paid by September 23, 2016. You failed to pay by September 23, 2016. Therefore, the Division intends to revoke your scrap metal dealer license in fourteen (14) from today.

You do have a right to request a hearing on this issue. The request must be in writing; and, it must be received by me prior to 5:00 p.m. on Wednesday, November 2, 2016. The address of this office is: 125 S. Congress Street, 17th Floor, Jackson, MS 39201. If a request for a hearing is not received by 5:00 p.m. on Wednesday, November 2, 2016, your license will be revoked and you will be informed of the revocation in writing. A revoked license means you cannot purchase any regulated metals. A list of regulated metals is included in the attachments to this letter. Moreover, if you violate a revocation order and purchase any regulated metals, you will be subject to a criminal penalties provided for in Mississippi Code Section 97-17-71.1(2). A copy of this code section is also enclosed. If you submit a written request for a hearing, a hearing will be provided for you where you will have an opportunity to contest our efforts to revoke your scrap metal dealer license.

Sincerely,



Dave Scott
Assistant Secretary of State
Regulation and Enforcement

Enclosures

1. Final Order of April 26, 2016
2. Letter dated April 29, 2016 and copy of Final Order attached
3. Letter dated June 20, 2016
4. Letter dated September 9, 2016
5. Copy of Mississippi Code Annotated Section 97-17-71.1
6. Copy of Mississippi Scrap Metal Dealer Act Rules
7. List of Regulated Metals



DELBERT HOSEMANN
Secretary of State

Hand delivered by me, David Penson, Examiner, with the Mississippi Secretary of State's Office to Christopher Jarrell, at the following location:
427 Tucker Road, Hattiesburg, MS @ 2:34 p.m.
_____, the same being the attached two-page letter from Dave Scott, Assistant Secretary of State, dated October 19, 2016, accompanied with seven (7) attachments.

This, the 19th day of October, 2016.

David Penson
David Penson

Regulated Metal Property

Copper Materials

- ANY copper wire
- Bars
- Rods or tubing
- Copper cable or coaxial cable of the type used by public utilities, common carriers or communication service providers
- Aluminum copper radiators not attached to a vehicle
- Any combination of the above

All Railroad Track Materials

- Rails
- Switch components
- Spikes
- Angle bar
- Tie plates

Agricultural Components

- Irrigation wiring
- Center pivots and other metal property attached to or a part of center pivots
- Grain bins or grain bin components
- Irrigation pipes or tubing

Aluminum Materials

(Aluminum cans are NOT regulated metals.)

- Cable
- Bars
- Rods or tubing
- Aluminum utility wiring or cables

Other Regulated Materials

- Stainless steel sinks
- Metal bridge pilings
- Any electrical or communications wiring or cables; utility brass
- Catalytic converters not attached to a motor vehicle
- Metal syrup tanks or any recognizable part generally used in the beverage industry*
- Any bronze vase or marker, memorial, statue, plaque or other bronze object used at a cemetery*
- Metal beer kegs
- Manhole covers or any utility access covers*



DELBERT ROSEMAN
Secretary of State

EXHIBIT

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