

What Consumers Should Know

Why is Metal Theft a Problem?

Metal theft, in particular copper, is not only a private concern but also a public concern.

Since the recession in 2008 when metal theft first became rampant, the problem has grown exponentially; wasting tax dollars and causing financial hardships on families and businesses to the tune of more than \$1 billion each year according to the U.S. Department of Energy and the FBI.

In April 2008, when tornadoes threatened the Jackson Metro area, many residents were not alerted to the severe weather because of five inoperable tornado warning sirens. The sirens' copper wiring had been removed.

In 2014, school children across the city of Jackson returned to schools without air conditioning after copper thieves stole metal parts from air conditioning units at seven Jackson Public Schools. While JPS worked to replace the more than \$250,000 in damages, the thieves could profit upwards of \$1000 from the copper alone. This type of vandalism could cost a household thousands in repair costs or face a steep increase in insurance premiums due to a claim.

I became a victim of metal theft, what do I do now?

ALWAYS begin by contacting your local police or sheriff's department to file a report. Law enforcement can check statewide metal purchases with the electronic monitoring system. If your local authorities do not have LeadsOnline, they will contact our Office. If the theft follows work with a contractor, be sure to file a complaint with the Attorney General's Office and the Board of Contractor's Association, in addition to your local police.

How Can I Protect Myself?

For your home:

- Verify any contractor who works on your property is licensed and insured. Get a business card and any information on their vehicle in the event you find a problem after the repairs.
- Build a security fence around your air conditioning unit so it is not a visible target. Regularly check for tampering.
- Install security lighting activated by motion sensors around your home to deter trespassers during nighttime hours.

For businesses:

- Install locked security cages around large commercial air conditioning units for more difficult access.
- Secure all equipment and scrap metals in a locked building or well-lit and video monitored area; remove access points to the property such as ladders, tall trees, dumpsters and accumulated materials such as pallets.
- Engrave or mark your metal materials for difficult removal and identification purposes.

Scrap Metal Theft In Mississippi

Scrap metal theft is a real problem in Mississippi. It affects businesses and homes, government buildings and places of worship; it affects our school children and the safety of the general public.



Skyrocketing prices for metal, especially copper, have turned metal theft into an epidemic. Metal theft costs taxpayers more than a \$1-billion per year in the United States, calling for stricter regulation of scrap sales. In 2008, the Mississippi legislature tasked the Secretary of State's Office with the regulation of selling and purchasing scrap metal in our state. Our Agency was the first to launch a statewide electronic reporting system to alert authorities to potential stolen items being sold to scrap yards, pawn shops and recyclers.

Our investigators routinely check scrap yards across the state to ensure proper handling of metal sales and train local law enforcement on the electronic capturing system, LeadsOnline, to help local investigators track down stolen materials and capture metal thieves.

Our goal is to better protect the citizens of Mississippi by educating the public on metal theft and working with law enforcement to deter this costly crime.



Delbert Hosemann
Secretary of State

Scrap Metal Unit

Scrap Metal Dealer Requirements and Consumer Information



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Who we are. What we do.

As part of the Regulation and Enforcement Division, the Scrap Metal Unit is responsible for the registration of scrap metal dealers in Mississippi.

The Scrap Metal Unit is charged with enforcing the Mississippi Scrap Metal Property Dealer Registration Act and the rules established by the Secretary of State's Office. Strong enforcement of these laws deter metal theft and protects the scrap metal industry.

The Mississippi Scrap Metal Property Dealer Registration Act, passed in 2008, requires registration and digital recordkeeping of scrap metal transactions. The law was passed to address the growing theft of copper and other metals in Mississippi.

The new electronic reporting system creates digital records of customers selling certain metals. This includes photographing the seller and scrap metal and records other identifying information in the event the metals goods are deemed to be stolen. The database allows law enforcement to match records of reported theft with illegal metal sales in the state.

What Information is Reported?

- Name, address and photo of the seller
- Weight, quantity, description and photo of the metal being sold for scrap
- Amount paid to seller
- Vehicle information
- Signed statement that seller is rightful owner of the metal
- Photocopy of seller identification.
- Hold the purchased metal for 3 days
- Must pay by check or electronic funds transfer and wait 3 days to mail or authorize payment. **(no cash transactions)**

Scrap Metal Law

97-17-71. Terms defined in this section: Railroad track materials, copper materials, aluminum materials, scrap metal dealer, and records the scrap metal dealer is required to maintain about the customer; Scrap metal dealer and other purchasers to keep records of purchases of metal property; Metal property to be held separate and identifiable from other purchases for not less than three (3) business days from date of purchase; Inspection of metal property to be completed by law enforcement officer (LEO); If reasonable belief that metal property is stolen, a hold notice will be issued by LEO describing the property to be held; Unlawful to give false statement of ownership; Unlawful to fail to maintain the appropriate records; Unlawful to transport metal property from within this state to another state without first notifying the sheriff within the departing county; Purchase and possession of metal beer kegs and/or metal syrup tanks generally used by soft drink industry prohibited except in limited circumstances; Sales and purchases of bronze memorials prohibited except in limited circumstances; Purchases of metal property from minors prohibited; Limitation on hours of purchase; Penalties.

97-17-71.1. Registration by scrap metal dealers with office of Secretary of State required; penalties for violations; enforcement.

97-17-71.2. Scrap metal dealers prohibited from paying cash or making payment of any kind at time of transaction for air conditioner evaporator coil or condenser; scrap metal dealers permitted to purchase air conditioner evaporator coil or condenser only from certain contractors or person possessing permits; payment

for scrap metal to be made by check or money order and mailed to business address of company for whom metal being sold; penalties for violations.

Who has to register?

DEALERS who pay compensation for regulated scrap metal in an amount less than or equal to \$12,000 in the previous calendar year must pay a registration fee of \$100 if electronically filed, or \$250 if a hardship waiver is granted. Those dealers who are paid compensation greater than \$12,000 in the previous calendar year must pay a registration fee of \$500 if electronically filed, or \$750 if a hardship waiver is granted.

DEALER/PROCESSORS

paying compensation for scrap metal property who also process scrap metal property to facilitate its return to a raw or finished material, shall be assessed a registration fee of \$2,000 for electronic filers, or \$2,500 if a hardship waiver is granted.

Processing is considered: cutting, shredding, melting, smelting, chopping, stripping, crushing, or baling of the regulated metals. All applications for registration and Customer Transaction Reports must be transmitted electronically through LeadsOnline (www.leadsonline.com) no later than the close of business (5 p.m.) of the next business day following the date of purchase by the dealer, unless a hardship waiver is granted.

****See Scrap Metal Rules Chapter 3, Electronic Filing Hardship Waiver**

Regulated Metal Property

Copper: wire, bars, rods, tubing, aluminum copper radiators not attached to a motor vehicle, air conditioner evaporator coil or condenser.

Copper used by public utilities, common carriers or communication service providers: wire, cable, coaxial cable.

Aluminum materials used to construct utility, communication or broadcasting towers: cable, bars, rods, tubing, utility wire, irrigation pipes or tubing.

Other metals: utility brass; stainless steel sinks; catalytic converters not attached to a vehicle; metal beer kegs; metal syrup tank used by the soft drink industry, bronze; vase, marker,

memorial, statue, plaque or other bronze object used at a cemetery (**see additional requirements for purchasing cemetery items**); metal covers for service access and entrances to sewers and storm drains; metal bridge pilings; irrigation wiring and other metal property attached to or part of center pivots; grain bins.

Railroad Track materials used in constructing railroads:

rail, switch component, spike, angle bar, tie plate, bolt (**notify the railroad authorities before buying any railroad materials.**)

(Metal property does not include ferrous materials not listed in the Act or aluminum cans)

Scrap Dealers

A scrap metal dealer is any person who is engaged, from a fixed location or otherwise, in the business of paying compensation for metal property that has served its original economic purpose. This definition applies whether or not the person is engaged in the business of performing the manufacturing process by which metals are converted into raw material products consisting of prepared grades and having an existing or potential economic value.

