



GOV. COMM. **15-178**  
(HOUSE)

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

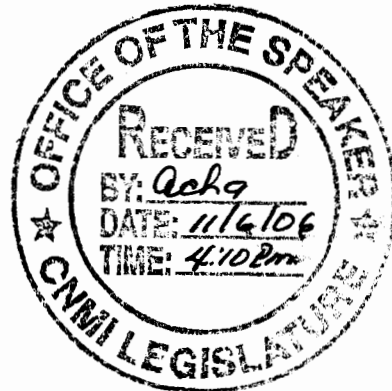
**Benigno R. Fitial**  
Governor

**Timothy P. Villagomez**  
Lieutenant Governor

The Honorable Oscar M. Babauta  
Speaker, House of Representatives  
Fifteenth Northern Marianas  
Commonwealth Legislature  
Saipan, MP 96950

NOV 6 2006

The Honorable Joseph M. Mendiola  
Senate President, The Senate  
Fifteenth Northern Marianas  
Commonwealth Legislature  
Saipan, MP 96950




Dear Mr. Speaker and Mr. President:

This is to inform you that I have signed into law House Bill No. 15-164, HD1, SD1, entitled, "To regulate recycling businesses operating in the Commonwealth; and for other purposes." The bill was passed by House of Representatives and the Senate of the Fifteenth Northern Marianas Commonwealth Legislature.

This bill becomes **Public Law No. 15-36**. Copies bearing my signature are forwarded for your reference.

Sincerely,

  
Timothy P. VILLAGOMEZ  
Acting Governor

Cc: Attorney General, Office of the Attorney General  
Secretary, Department of Commerce  
Commissioner, Department of Public Safety  
Secretary, Department of Finance  
Executive Director, Commonwealth's Law Revision Commission  
Special Assistant for Programs and Legislative Review



**HOUSE OF REPRESENTATIVES**  
**FIFTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE**  
TWELFTH DAY, SECOND REGULAR SESSION, 2006

**PUBLIC LAW NO. 15-36**

**H. B. No. 15-164, HD1, SD1**

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**AN ACT**

To regulate recycling businesses operating in the Commonwealth; and for other purposes.

**Offered by Representatives:** Arnold I. Palacios, Joseph P. Deleon Guerrero,  
Benjamin B. Seman, Candido B. Taman, Ramon A. Tebuteb, Manuel A. Tenorio,  
Stanley T. McGinnis Torres, and Ray N. Yumul

**Date:** August 8, 2006

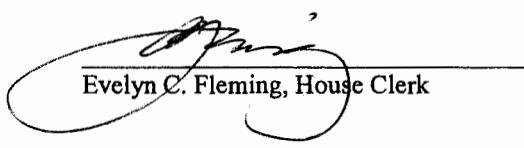
Referred to: None  
Public Hearing: None  
Standing Committee Report: None

**Passed First and Final Reading on August 18, 2006**  
**Accepted Senate Amendments September 26, 2006**

Referred to: Committee on Resources, Economic Development, and Programs  
Public Hearing: None  
Standing Committee Report No. 15-62

**Passed Final Reading on September 1, 2006**

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Evelyn C. Fleming, House Clerk



**HOUSE OF REPRESENTATIVES**  
**FIFTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE**  
**SECOND REGULAR SESSION, 2006**

PUBLIC LAW NO. 15-36

**H. B. No. 15-164, HD1, SD1**

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**AN ACT**

To regulate recycling businesses operating in the Commonwealth; and for other purposes.

**BE IT ENACTED BY THE FIFTEENTH NORTHERN MARIANAS COMMONWEALTH  
LEGISLATURE:**

1       **Section 1. Short Title.** This Act may be cited as the "Recycling Reporting Act of  
2       2006".

3       **Section 2. Findings.** The Legislature finds that recycling scrap metal is a necessity  
4       in the Commonwealth due to its growing population and environmental impact. A growing  
5       population means more metal for buildings, houses, automobiles, appliances, and  
6       consequently, more scrap metal from such products. However, there is limited land mass to  
7       accommodate all of the Commonwealth's growing population.

8       Common recycled scrap metal products include (1) aluminum siding, sliding and  
9       window frames; (2) household and industrial appliances; (3) automobiles; (4) bed frames and  
10      mattress springs; (5) bridges; (6) cast iron sinks and bathtubs; (7) computers; (8) cooking pots  
11      and pans; (9) electrical wire; (10) elevator; (11) eyeglass frames; (12) farm equipment; (13)  
12      food and beverage containers; (14) hospital equipment; (15) industrial cuttings; (16) locks  
13      and doorknobs; (17) office equipment and furniture; (18) park and playground equipment;  
14      (19) pipe; (20) roadbed reinforcing bars; (21) roofing; (22) ships; (23) structural steel  
15      reinforcing frames; (24) telephone wire; (25) tools; (26) toys; and (27) metal commodities  
16      such as copper, magnesium, lead, etc.

17      The Legislature further finds that there has been a proliferation of crimes involving  
18      theft of metal products and materials. Some of these incidents involve taking metal from  
19      fully functioning products such as an air conditioner rather than taking the entire air

1 conditioning unit. It appears that the intent is to sell the metal product for cash. Accordingly,  
2 the practice of recycling scrap metal must be encouraged but regulated, to prevent abuse and  
3 the commission or concealment of a crime. The purpose of this Act is to regulate recycling  
4 business by imposing a duty to record and report purchases of recycling products such as  
5 scrap metal.

6 **Section 3. Amendment.** Title 4, Division 5 of the Commonwealth Code is amended  
7 to add a new Chapter 16 to read as follows:

8 **"Chapter 16. Recycling Reporting Act.**

9 **§ 51301. Definitions.**

10 (a) "Department" means the Department of Commerce.

11 (b) "Person" means any individual, corporation, partnership,  
12 association, business trust, company, joint venture company, or limited  
13 liability company.

14 (c) "Recycled Product" means all types of scrap metal and excludes  
15 aluminum cans, glass bottles, and paper products.

16 (d) "Recycler" means a person engaged in the business of purchasing  
17 or acquiring recycled products for the purpose of reselling, rebuilding, or  
18 repairing the recycled products.

19 (e) "Scrap metal" means all types of metals including iron, steel,  
20 stainless steel, copper, aluminum, lead, zinc.

21 (f) "Secretary" means the Secretary of the Department of Commerce.

22 **§ 51302. Duty to Record and Report Purchases.**

23 (a) A person operating a recycling business shall maintain, wherever  
24 its business is conducted, a complete record of each purchase of recycled  
25 product, legibly written in the English language, containing the following  
26 information:

27 (1) The printed name and signature of the person who is  
28 selling scrap metal;

29 (2) The date and time of the purchase;

1 (3) The name of the recycler and the employee conducting the  
2 purchase;

3 (4) The name, date of birth, sex, height, weight, race, and  
4 address of the person selling the scrap metal;

5 (5) A complete description of the property, if any, sold to  
6 recycler including the brand name, serial number, model number,  
7 initials, engravings, size, patterns, and color;

8 (6) The purchase price;

9 (7) The type of identification and identification number used  
10 by the person with whom the purchase is made, which shall consist of  
11 a copy of a valid driver's license or government identification card  
12 issued by the Commonwealth of the Northern Mariana Islands, Guam,  
13 federal, state, or municipal government which has a photo and physical  
14 description of the person identified; and

15 (8) The nature of the purchase, a progressive serial number  
16 identifying the purchase, the name and address of the recycler  
17 conducting the purchase, and the location of the property.

18 (b) The recycler shall maintain at all times at his place of business  
19 such books, accounts, and records as will enable the Department or the  
20 Secretary to determine whether the recycler is complying with this Chapter  
21 and any rules and regulations adopted pursuant to this Chapter. Every  
22 recycler shall preserve such books, accounts, and records, for at least two (2)  
23 years after making the final entry on any purchase recorded therein. The  
24 books and records of the recycler shall be kept in a manner that the recycling  
25 business transacted may be readily separated and distinguished from any other  
26 type of business that the recycler may be engaged in.

27 (c) Upon request, a recycler shall furnish or mail within twenty-four  
28 hours to the Department, on such forms as are provided by the Department, a  
29 full, true, and correct copy of the record of all requested transactions.

**§ 51303. Purchase Transactions.**

(a) For each recycled product purchase, the recycler shall require proper identification from each seller. "Proper identification" shall mean a government issued photographic identification including, but not limited to, a driver's license, military identification card, or passport.

(b) The seller shall sign a statement verifying that he or she is the rightful owner of the goods or is otherwise entitled to sell the goods.

(c) A recycler shall, at the time of making a purchase, require the signature of the seller and shall be required to obtain copies of proper identification from the seller.

(d) The recycler shall, at the time of making a purchase, deliver to the seller a receipt on which shall be legibly written or printed in English the information required under 4 CMC § 51302(a).

(e) All transactions shall be videotaped by closed circuit camera or other video recording device. There shall be no audio recording of transactions. The signature form endorsed by the seller pursuant to § 51303(c) shall contain the following phrase: "THIS TRANSACTION IS BEING VIDEO-RECORDED". Recordings of transactions shall be preserved by the recycler for six months following the transaction.

**§ 51304. Stolen Goods; Seizure of Goods.**

(a) If a recycler has reasonable cause to believe that any recycled product being sold to purchaser is lost or stolen property, the recycler shall promptly report the matter to the Department of Public Safety.

(b) Where probable cause exist that a recycled product held by a recycler is stolen property, the Department of Public Safety shall, for purposes of investigation or trial or to preserve and safeguard the property:

(1) Seize the same; or

1 (2) Hold the property for not more than 60 days unless a court  
2 of competent jurisdiction decides that a longer holding period is  
3 required to preserve or safeguard the property.

4 (3) Inspect the books, accounts, and records of the recycler to  
5 determine whether or not a crime has been committed.

6 (c) The Department of Public Safety and the Department of  
7 Commerce shall adopt rules and regulations necessary to implement this  
8 section.

9 **§ 51305. Prohibited Acts and Practices.** It is unlawful for a recycler or any  
10 employee thereof to:

11 (a) Knowingly engage in a purchase transaction with:

12 (1) A person who is under the influence of drug or alcohol  
13 when such condition is visible or apparent;

14 (2) A person under the age of 18 years; or

15 (3) A person using a name other than his own name or the registered name of  
16 his business.

17 (4) A person that does not have proper identification

18 (b) Accept recycled products that the recycler or any employee knows  
19 or should have known to be stolen property.

20 **§ 51306. Penalties.**

21 (a) A person who knowingly or willfully violates or causes a person to  
22 violate any provision of this Chapter shall be guilty of a felony and be subject  
23 to punishment as provided under 6 CMC § 1601.

24 (b) When the lawful owner recovers stolen property from a recycler  
25 and the person who sold the stolen property to the recycler is convicted of  
26 theft, or for dealing in stolen property, the court shall order the defendant to  
27 make full restitution to the recycler pursuant to 6 CMC § 4109, as a condition  
28 of probation.


1           § 51307. **Rule making.** The Department of Commerce shall adopt rules and  
2 regulations necessary to implement the provisions of this Chapter.”

3           **Section 4. Severability.** If any provision of this Act or the application of any such  
4 provision to any person or circumstance should be held invalid by a court of competent  
5 jurisdiction, the remainder of this Act or the application of its provisions to persons or  
6 circumstances other than those to which it is held invalid shall not be affected thereby.

7           **Section 5. Savings Clause.** This Act and any repealer contained herein shall not be  
8 construed as affecting any existing right acquired under contract or acquired under statutes  
9 repealed or under any rule, regulation, or order adopted under the statutes. Repealers  
10 contained in this Act shall not affect any proceeding instituted under or pursuant to prior law.  
11 The enactment of the Act shall not have the effect of terminating, or in any way modifying,  
12 any liability, civil or criminal, which shall already be in existence on the date this Act  
13 becomes effective.

14           **Section 6. Effective Date.** This Act shall take effect upon its approval by the  
15 Governor or becoming law without such approval.

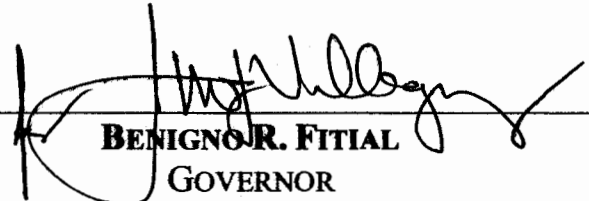
CERTIFIED BY:

  
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**OSCAR M. BABAUTA**  
SPEAKER OF THE HOUSE

ATTESTED TO BY:

  
\_\_\_\_\_  
**EVELYN C. FLEMING**  
HOUSE CLERK

Approved on this 6<sup>th</sup> day of November, 2006

  
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**BENIGNO R. FITIAL**  
GOVERNOR  
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS