

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

HOUSE BILL 3728

By: Pfeiffer

AS INTRODUCED

An Act relating to the Oklahoma Scrap Metal Dealers Act; amending 2 O.S. 2021, Sections 11-91, 11-92, 11-93, 11-94, as amended by Section 632, Chapter 486, O.S.L. 2025, 11-97, 11-98, as amended by Section 1, Chapter 192, O.S.L. 2022, and 11-99 (2 O.S. Supp. 2025, Sections 11-94 and 11-98), which relate to the Oklahoma Scrap Metal Dealers Act; changing regulating agency from the Oklahoma Department of Agriculture, Food, and Forestry to the Oklahoma Department of Environmental Quality; updating statutory references; providing for recodification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 2 O.S. 2021, Section 11-91, is amended to read as follows:

Section 11-91. As used in the Oklahoma Scrap Metal Dealers Act:

1. "Aluminum material" means the metal aluminum or aluminum alloy or anything made of either aluminum or aluminum alloy, except aluminum beverage cans;

2. "Copper material" means the metal copper or copper alloy or anything made of either copper or copper alloy;

1 3. "Department" means the ~~Oklahoma Department of Agriculture,~~
2 ~~Food, and Forestry~~ Oklahoma Department of Environmental Quality
3 (DEQ) and its employees, officers and divisions;

4 4. "Digital image" means pixels intended for display on a
5 computer monitor or for transformation into another format, such as
6 a printed page. For purposes of this paragraph, "pixels" shall mean
7 raster-based, two-dimensional, rectangular arrays of static data
8 elements;

9 5. "Exempted seller" means any person, firm, business or
10 governmental entity that produces or otherwise acquires any scrap
11 metal regulated by the provisions of the Oklahoma Scrap Metal
12 Dealers Act in the normal course of business, including, but not
13 limited to:

- 14 a. a mechanical, electrical or plumbing contractor
- 15 currently licensed to do business in any state,
- 16 b. a scrap metal dealer (Standard Industrial
- 17 Classification Codes 5051 or 5093), currently licensed
- 18 pursuant to the provisions of the Oklahoma Scrap Metal
- 19 Dealers Act,
- 20 c. a holder of a current farm-use tax permit,
- 21 d. a manufacturer,
- 22 e. a distributor,
- 23 f. a retailer with a current sales tax permit, or
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g. any state-recognized business entity including a corporation, limited liability company, partnership, limited partnership and sole proprietorship;

6. "License" means a scrap metal dealer license;

7. "Remote storage battery" means a battery commonly used in telecommunications, the oil industry or infrastructure;

8. "Scrap metal" means any copper material or aluminum material or any item listed in subsection C of Section ~~11-93~~ 2-7-504 of ~~this title~~ Title 27A of the Oklahoma Statutes, offered for sale or resale or purchased by any person, firm or business;

9. "Scrap metal dealer" means any person, firm or corporation being an owner, keeper or proprietor of a retail or wholesale business which buys, sells, salvages, processes or otherwise handles scrap metal materials regulated by the provisions of the Oklahoma Scrap Metal Dealers Act; and

10. "Yard" means the place where any scrap metal dealer stores scrap metal materials or keeps such materials for purpose of sale.

SECTION 2. AMENDATORY 2 O.S. 2021, Section 11-92, is amended to read as follows:

Section 11-92. A. Every scrap metal dealer shall keep a separate book, record or other electronic system as authorized by the Oklahoma Scrap Metal Dealers Act, to record and maintain the following data from any seller of any amount of scrap metal as defined by the Oklahoma Scrap Metal Dealers Act:

1 1. A legible photocopy of the seller's driver license or
2 government-provided photo identification, issued by the United
3 States government, State of Oklahoma, or any other state of the
4 United States, or any other federally recognized identification that
5 contains his or her name, and date of birth; provided, that if the
6 photo identification does not contain an address, an address shall
7 be provided;

8 2. Vehicle description and license tag number, or vehicle
9 identification number if no state license plate is affixed, if the
10 vehicle was used to transport the material being sold;

11 3. Date and place of the transaction and the transaction number
12 as provided by the scrap metal dealer;

13 4. Description of the items sold and weight of the items as
14 required by the provisions of the Oklahoma Scrap Metal Dealers Act;

15 5. Whether the scrap metal is in wire, cable, bar, rod, sheet
16 or tube form; and

17 6. The digital image of the items purchased and the digital
18 image of the seller. The digital image shall contain depictions
19 that clearly identify the items sold and are captured in the common
20 JPEG format. The digital image shall be retained by the purchaser
21 for a minimum of ninety (90) days from the date of purchase.

22 B. Municipalities or other political subdivisions may designate
23 the reporting methods and the format of the information required by
24 subsection A of this section, either written, electronic or

1 Internet-based. The ~~Oklahoma Department of Agriculture, Food, and~~
2 ~~Forestry~~ Oklahoma Department of Environmental Quality (DEQ) shall
3 designate an Internet-based reporting method that applies to all
4 geographic areas of the state that are not subject to a local
5 designation for Internet reporting.

6 C. Records required by this section shall be retained for no
7 less than two (2) years from the date of transaction and shall be
8 made available at any time to any person authorized by law for such
9 inspection.

10 D. It shall be unlawful for any scrap metal dealer to purchase
11 any item from a minor under the age of sixteen (16) without having
12 first obtained the consent, in writing, of a parent or guardian of
13 such minor. Such written consent shall be kept with the book,
14 record or other electronic recording system required by subsection A
15 of this section and, if requested by a law enforcement agency where
16 the purchase was made, shall be transmitted to the law enforcement
17 agency and may be kept as a permanent record and made available for
18 public inspection.

19 E. A scrap metal dealer shall obtain from each seller of a
20 scrap metal item regulated by the Oklahoma Scrap Metal Dealers Act,
21 or a parent or guardian on behalf of a minor, a written declaration
22 of ownership containing a legible signature of the seller. The
23 declaration of ownership shall be in the following form and shall
24 appear on the bill of sale or transaction ticket to be completed by

1 the seller in the presence of the purchaser at the time of the
2 transaction:

3 "I hereby affirm that I am the rightful owner of the hereon
4 described merchandise; or I am an authorized representative of the
5 rightful owner and affirm that I have been given authority by the
6 rightful owner to sell the hereon described merchandise.

7 I state under penalty of perjury under the laws of Oklahoma that
8 the foregoing is true and correct.

9 _____
10 Signature

Date and Place"

11 F. If requested by a law enforcement agency, a scrap metal
12 dealer shall report in writing all purchases of scrap metal as
13 defined by the Oklahoma Scrap Metal Dealers Act within forty-eight
14 (48) hours following such purchase. The report shall contain all
15 the information required by this section.

16 G. Prior to the purchase of a used motor vehicle, trailer or
17 nonmotorized recreational vehicle, the scrap metal dealer shall
18 require one of the following forms of proof of ownership from the
19 person selling the used motor vehicle, trailer or nonmotorized
20 recreational vehicle:

21 1. A certificate of title that matches the vehicle
22 identification number of the vehicle being sold;
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1 2. A notarized power of attorney from the individual on the
2 certificate of title authorizing the seller to dispose of the
3 vehicle on behalf of the owner; or

4 3. A statement of ownership from the seller stating that the
5 vehicle was purchased from the lawful owner, accompanied by a bill
6 of sale from the lawful owner including a statement that there are
7 no outstanding liens on the vehicle, and a statement that the
8 vehicle is inoperable or incapable of operation or use on the
9 highway and has no resale value except as scrap.

10 The provisions of this subsection shall not apply to sales,
11 purchases or other transfers of vehicles between scrap metal dealers
12 and licensed automotive dismantlers and parts recyclers, licensed
13 crushers, salvage dealers, used car dealers and licensed wreckers.

14 H. A scrap metal dealer shall not enter into any cash
15 transactions in excess of One Thousand Dollars (\$1,000.00) in
16 payment for the purchase of scrap metal that is listed in subsection
17 C of Section 11-93 of this title unless the transaction is made with
18 an exempted seller. Payment by check shall be issued and made
19 payable only to the seller of the scrap metal whose identification
20 information has been obtained pursuant to the provisions of this
21 section.

22 I. The following shall be exempt from this section:
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1 1. Scrap metal hauled by a scrap metal dealer for an exempted
2 seller in a motor vehicle registered with the Oklahoma Department of
3 Transportation; and

4 2. Material delivered by an exempted seller with a check made
5 payable to the company of the exempted seller.

6 SECTION 3. AMENDATORY 2 O.S. 2021, Section 11-93, is
7 amended to read as follows:

8 Section 11-93. A. It shall be unlawful for scrap metal dealers
9 permitted to do business in this state as required by the Oklahoma
10 Scrap Metal Dealers Act to purchase any item listed in subsection C
11 of this section without:

12 1. Obtaining proof that the seller owns or is authorized to
13 sell the property, by evidence of a receipt of purchase, a bill of
14 sale for the property, contract or other documentation; and

15 2. Requiring the seller to sign a written declaration in the
16 form required by subsection E of Section ~~11-92~~ 2-7-503 of ~~this title~~
17 Title 27A of the Oklahoma Statutes; or

18 3. Obtaining proof that the seller is an exempted seller or an
19 employee of an exempted seller, as defined in Section ~~11-91~~ 2-7-502
20 of ~~this title~~. Title 27A of the Oklahoma Statutes.

21 B. Scrap metal dealers shall not purchase any regulated items
22 which are not delivered in a motor vehicle.

23 C. The following items are regulated by the provisions of this
24 act:

- 1 1. Manhole covers, street signs, traffic signs, traffic
2 signals, including their fixtures and hardware, and highway guard
3 rails, or any other identifiable public property;
- 4 2. Electric light poles, including their fixtures and hardware,
5 electric transmission or distribution cable and wires, and any other
6 hardware associated with electric utility or telecommunication
7 systems;
- 8 3. Any copper wire, braided or single strand, insulated or not
9 insulated, that is four (4) gauge or larger in size;
- 10 4. Copper wire from which the actual or apparent insulation or
11 other coating has been burned, melted or exposed to heat or fire
12 resulting in melting some or all other insulation or coating;
- 13 5. Funeral markers, plaques or funeral vases;
- 14 6. Historical markers or public artifacts;
- 15 7. Railroad equipment;
- 16 8. Any metal item marked with any form of the name, initials or
17 logo of a governmental entity, utility, cemetery or railroad;
- 18 9. Condensing or evaporating coil including copper coil ends;
- 19 10. Aluminum or stainless steel containers or bottles designed
20 to contain fuel;
- 21 11. Metal beer kegs that are clearly marked as being the
22 property of the beer manufacturer;
- 23 12. Metal bleachers or other seating facilities used in
24 recreational areas or sporting arenas;

1 13. Automotive catalytic converters;

2 14. Machinery or supplies commonly used in the drilling,
3 completing, operating or repairing of oil or gas wells;

4 15. Stainless steel fittings and fixtures commonly used in the
5 operation of car wash facilities; and

6 16. Remote storage batteries.

7 SECTION 4. AMENDATORY 2 O.S. 2021, Section 11-94, as
8 amended by Section 632, Chapter 486, O.S.L. 2025 (2 O.S. Supp. 2025,
9 Section 11-94), is amended to read as follows:

10 Section 11-94. A. Any person found in violation of any
11 provision of the Oklahoma Scrap Metal Dealers Act, with the
12 exceptions as provided by subsections B, C and D of this section,
13 shall, upon conviction, be guilty of a misdemeanor and punished by a
14 fine of not more than Two Thousand Five Hundred Dollars (\$2,500.00)
15 per offense. Any person convicted of a second violation of the
16 Oklahoma Scrap Metal Dealers Act shall be guilty of a misdemeanor
17 and punished by a fine of not more than Five Thousand Dollars
18 (\$5,000.00) per offense or by imprisonment in the county jail for a
19 period of not more than six (6) months. Any person convicted of a
20 third or subsequent violation of the Oklahoma Scrap Metal Dealers
21 Act shall be guilty of a Class D3 felony offense punishable by a
22 fine of not more than Ten Thousand Dollars (\$10,000.00) per offense,
23 or by imprisonment as provided for in subsections B through F of
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1 Section 20P of Title 21 of the Oklahoma Statutes, or by both such
2 fine and imprisonment.

3 B. Any person acting as a scrap metal dealer without a scrap
4 metal dealer license or a sales tax permit as required by the
5 Oklahoma Scrap Metal Dealers Act shall, upon conviction, be guilty
6 of a misdemeanor and punished by a fine of not more than Five
7 Hundred Dollars (\$500.00); provided, that each day of operation in
8 violation of the Oklahoma Scrap Metal Dealers Act shall constitute a
9 separate offense.

10 C. Any person who knowingly provides false information with
11 respect to the provisions of subsection I of Section 1423 of this
12 title shall, upon conviction, be guilty of a Class D3 felony offense
13 and punished by a fine of Five Thousand Dollars (\$5,000.00), or by
14 imprisonment as provided for in subsections B through F of Section
15 20P of Title 21 of the Oklahoma Statutes, or by both such fine and
16 imprisonment.

17 D. Any person convicted of purchasing or selling burnt copper
18 material or copper wire as prohibited by subsection G of Section
19 1423 of ~~this title~~ Title 68 of the Oklahoma Statutes shall, upon
20 first conviction, be guilty of a misdemeanor and punished by a fine
21 of Two Thousand Five Hundred Dollars (\$2,500.00). Any person
22 convicted of a second or subsequent violation shall be guilty of a
23 Class D3 felony offense punishable by a fine of Five Thousand
24 Dollars (\$5,000.00), or by imprisonment as provided for in

1 subsections B through F of Section 20P of Title 21 of the Oklahoma
2 Statutes, or by both such fine and imprisonment.

3 E. Each scrap metal dealer convicted of a violation of the
4 Oklahoma Scrap Metal Dealers Act shall be reported to the Oklahoma
5 Tax Commission by the clerk of the court rendering such verdict.

6 F. The Tax Commission shall revoke the sales tax permit of any
7 person convicted of three separate violations of the Oklahoma Scrap
8 Metal Dealers Act. The person shall not be eligible to receive a
9 sales tax permit for such purpose for a period of one (1) year
10 following the revocation. The revocation procedure shall be subject
11 to notice and hearing as required by Section 1426 of ~~this title~~
12 Title 68 of the Oklahoma Statutes.

13 SECTION 5. AMENDATORY 2 O.S. 2021, Section 11-97, is
14 amended to read as follows:

15 Section 11-97. A person shall not advertise, act, offer to act,
16 hold himself or herself out, or engage in business as a scrap metal
17 dealer in this state without a scrap metal dealer license issued by
18 the ~~Oklahoma Department of Agriculture, Food, and Forestry~~ Oklahoma
19 Department of Environmental Quality (DEQ).

20 SECTION 6. AMENDATORY 2 O.S. 2021, Section 11-98, as
21 amended by Section 1, Chapter 192, O.S.L. 2022 (2 O.S. Supp. 2025,
22 Section 11-98), is amended to read as follows:
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1 Section 11-98. A. An applicant for a license to engage in
2 business as a scrap metal dealer shall provide all of the following
3 information on the license application:

4 1. If the applicant is an individual, the full name and place
5 of residence of the applicant;

6 2. If the applicant is a firm, corporation or other legal
7 entity, the full name, place of residence, and the position of the
8 individual filing the application on behalf of the entity;

9 3. The business address of the location where the scrap metal
10 dealer conducts business or will conduct business as a scrap metal
11 dealer;

12 4. Legal proof of ownership, lease agreement or contract for
13 the business location;

14 5. Proof of a dedicated telephone line for the business
15 location;

16 6. Proof of a general liability insurance policy for the
17 business location;

18 7. Proof of a current discharge permit issued pursuant to the
19 provisions of the Oklahoma Pollutant Discharge Elimination System
20 Act; and

21 8. Whether the person has been previously convicted of, or pled
22 guilty or nolo contendere to, any felony crime that substantially
23 relates to scrap metal dealing and poses a reasonable threat to
24 public safety.

1 B. The Department may conduct any reasonable inquiry or
2 investigation relative to the determination of the fitness of the
3 applicant to be licensed or continue to be licensed including, but
4 not limited to, requiring a national criminal history record check
5 as provided in Section 150.9 of Title 74 of the Oklahoma Statutes.

6 C. The Department shall charge an application fee in the amount
7 of One Hundred Dollars (\$100.00) for processing an initial
8 application for a scrap metal dealer license. The Department shall
9 also charge an investigative fee of One Hundred Dollars (\$100.00) to
10 be used for the purpose of conducting an investigation of the
11 applicant. All fees shall be nonrefundable.

12 D. In addition to the application, each applicant shall submit
13 a full set of fingerprints and a photograph with each application
14 for an original license. The fingerprints shall be used for a
15 national criminal history record check as provided for in subsection
16 B of this section. The applicant shall be required to pay for
17 fingerprints, photographs and the national criminal history records
18 check required for licensure and renewals.

19 E. If the results of the investigation of the applicant show no
20 prohibition to granting a license, the Department shall issue the
21 scrap metal dealer license. The scrap metal dealer license shall be
22 valid for a period of one (1) year unless otherwise voluntarily
23 surrendered, suspended or revoked by the Department.

1 F. A scrap metal dealer license issued pursuant to the
2 provisions of this act is valid for the conduct of business as a
3 scrap metal dealer only at the location specified in the
4 application. A separate scrap metal dealer license shall be
5 required for each location specified in the application form and
6 each license shall designate the location to which it applies. The
7 business of the scrap metal dealer shall not be conducted in any
8 place other than that designated by the license. The scrap metal
9 dealer license shall not be transferable.

10 G. The Department shall deny the license when the applicant
11 fails to properly complete the application form or if it is
12 determined that the applicant is not eligible to receive a scrap
13 metal dealer license.

14 H. A scrap metal dealer license may be renewed any time within
15 sixty (60) days prior to the expiration date of the license. To
16 renew a scrap metal dealer license, the licensee must first obtain a
17 renewal form from the Department. The licensee must complete the
18 renewal form and submit a renewal fee in the amount of One Hundred
19 Dollars (\$100.00) to the Department. Upon receipt of the renewal
20 application and fee, the Department shall conduct a national
21 criminal history record check and investigate any other records or
22 information deemed by the Department to be relevant to the renewal
23 of the scrap metal dealer license. If the licensee appears not to
24 have any prohibition to renewing the scrap metal dealer license, the

1 Department shall issue the renewed license for a period of one (1)
2 year.

3 I. ~~The Oklahoma Department of Agriculture, Food, and Forestry~~
4 Oklahoma Department of Environmental Quality (DEQ) shall promulgate
5 rules, procedures and forms governing the application and renewal
6 procedures for scrap metal dealer licenses.

7 J. As used in this section:

8 1. "Substantially relates" means the nature of criminal conduct
9 for which the person was convicted has a direct bearing on the
10 fitness or ability to perform one or more of the duties or
11 responsibilities necessarily related to the occupation; and

12 2. "Poses a reasonable threat" means the nature of criminal
13 conduct for which the person was convicted involved an act or threat
14 of harm against another and has a bearing on the fitness or ability
15 to serve the public or work with others in the occupation.

16 SECTION 7. AMENDATORY 2 O.S. 2021, Section 11-99, is
17 amended to read as follows:

18 Section 11-99. A. ~~The Oklahoma Department of Agriculture,~~
19 ~~Food, and Forestry~~ Oklahoma Department of Environmental Quality
20 (DEQ) may suspend, cancel, revoke, or refuse reissuance of a scrap
21 metal dealer license after the person has an opportunity for public
22 hearing pursuant to the Administrative Procedures Act for any of the
23 following causes:

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1 1. Engages in fraud or deceit in obtaining or renewing a
2 license;

3 2. Acts as a scrap metal dealer in this state without a
4 license;

5 3. Aids or abets another person in acting as a scrap metal
6 dealer without a license; or

7 4. Violates any of the provisions of the Oklahoma Scrap Metal
8 Dealers Act.

9 B. After notice and opportunity for a hearing in accordance
10 with the Administrative Procedures Act, if the Department finds any
11 person in violation of the Oklahoma Scrap Metal Dealers Act or any
12 rule promulgated or order issued pursuant thereto, the Department
13 shall have the authority to assess an administrative penalty of not
14 less than One Hundred Dollars (\$100.00) and not more than Ten
15 Thousand Dollars (\$10,000.00) for each violation. Each action or
16 each day a violation continues may constitute a separate and
17 distinct violation.

18 C. In addition to penalties and fines, the Department shall
19 have authority to apply to district court and obtain a temporary or
20 permanent injunction against anyone who violates the Oklahoma Scrap
21 Metal Dealers Act and shall have authority to obtain or impose civil
22 monetary penalties on anyone who violates the Oklahoma Scrap Metal
23 Dealers Act.

1 D. Nothing in the Oklahoma Scrap Metal Dealers Act shall
2 preclude the Department from seeking penalties in district court in
3 the maximum amount allowed by law. The assessment of penalties in
4 an administrative enforcement proceeding shall not prevent the
5 subsequent assessment by a court of the maximum civil or criminal
6 penalties for violations of the Oklahoma Scrap Metal Dealers Act and
7 rules promulgated pursuant thereto.

8 E. Any person assessed an administrative or civil penalty may
9 be required to pay, in addition to the penalty amount and interest
10 thereon, attorney fees and costs associated with the collection of
11 the penalties.

12 F. If any person refuses, denies or interferes with any right
13 of access, the Department shall have the right to apply to and
14 obtain from a district court an administrative or other warrant as
15 necessary to enforce the right of access and inspection.

16 G. If the Department finds any person operating as a scrap
17 metal dealer without a license, the ~~Department~~ Oklahoma Department
18 of Agriculture, Food and Forestry (ODAFAF) shall have the authority
19 to tag as "Not For Commercial Use" any weight or measure utilized by
20 the scrap metal dealer.

21 SECTION 8. RECODIFICATION 2 O.S. 2021, Section 11-90,
22 shall be recodified as Section 2-7-501 of Title 27A of the Oklahoma
23 Statutes, unless there is created a duplication in numbering.

1 SECTION 9. RECODIFICATION 2 O.S. 2021, Sections 11-91,
2 11-92, 11-93, and 11-94, as amended by Sections 1 through 4 of this
3 act, shall be recodified as Sections 2-7-502, 2-7-503, 2-7-504, and
4 2-7-505 of Title 27A of the Oklahoma Statutes, unless there is
5 created a duplication in numbering.

6 SECTION 10. RECODIFICATION 2 O.S. 2021, Sections 11-95
7 and 11-96 shall be recodified as Sections 2-7-506 and 2-7-507 of
8 Title 27A of the Oklahoma Statutes, unless there is created a
9 duplication in numbering.

10 SECTION 11. RECODIFICATION 2 O.S. 2021, Sections 11-97,
11 11-98, and 11-99, as amended by Section 5, 6, and 7 of this act,
12 shall be recodified as Section 2-7-508, 2-7-509, and 2-7-510 of
13 Title 27A of the Oklahoma Statutes, unless there is created a
14 duplication in numbering.

15 SECTION 12. This act shall become effective November 1, 2026.

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