

## Recycling and Salvaging Operators and Premises

Activity	Problem	Action	Anticipated Result
Licensing of scrap metal-related businesses and enforcement of related regulations.	License redundancies or ambiguities concerning applicability, and difficulty in enforcement of scrap metal regulations.	Creation of an “umbrella” license for all scrap metal-related businesses.	Consolidation of license types should streamline license issuance, reduce costs to the City and businesses, eliminate license redundancies or ambiguities concerning applicability, and improve enforcement of scrap metal regulations.

Current State	Future State
<p>1. The City licenses all of the following separately: auto wreckers; junk collectors; junk dealers; junkers; secondhand motor vehicle dealers; used bicycle, tire or battery dealers; used motor vehicle dealers (parts only); and waste tire transporters and generators (see Table 1, below).</p> <p>2. A business could fall under several of these license requirements at one time (see Tables 2 and 3, below), requiring the holding of more than one license with separate application processes, fees, and inspections, and with license terms and expiration dates that do not begin or end at the same time.</p> <p>3. Different recordkeeping and reporting regulations exist for different license types, many of which are not conducive to monitoring and enforcement by the MPD.</p>	<p>An “umbrella” license for all recycling-, salvaging- and towing-related business activities, including:</p> <ol style="list-style-type: none"> <li>1. A single application, fee and expiration date for vehicles and premises.</li> <li>2. Plans of operation from all licensees, similar to how taverns are licensed.</li> <li>3. Consistent and streamlined recordkeeping and reporting requirements, including the enumeration of specific categories or classes of scrap metal purchases which would be conducive to the identification of stolen materials.</li> <li>4. Transaction description and recording requirements for specific regulated items, and an enhanced definition of regulated property.</li> <li>5. More stringent recordkeeping requirements for wholesale or bulk purchases.</li> </ol>

## Tow Trucks, Tow Operators and Premises

Activity	Problem	Action Taken	Anticipated Result
Licensing of towing service providers and the establishment and enforcement of regulations.	It is difficult for the Milwaukee Police Department (MPD) to monitor and enforce towing activity.	Creation of a licensing and regulatory structure for tow trucks operating in Milwaukee.	Increased consumer protection (e.g. price gouging) and improved enforcement of illegal scrap metal- and vehicle-related activities (e.g. vehicle theft).

### Current State

1. Tow trucks are not licensed by either the City or the State (except those tow trucks operating under other licenses, such as a motor vehicle salvage dealer license obtained from the Wisconsin DOT). Certain towing vehicles are required to obtain a federal DOT number and State motor carrier permit.
2. City and State regulations governing the operation of tow trucks are limited and prescribe few, if any, sanctions for violations.
3. Unreported repossessions and non-consensual tows may be counted as stolen vehicles, artificially inflating the City's crime numbers.

### Future State

- The inclusion of tow trucks in the “umbrella” license for all recycling-, salvaging- and towing-related business activities, and the creation of the following regulations for non-consensual towing:
1. New recordkeeping requirements, including the identification of the make, model, vehicle identification number and registration plate number of the vehicle; a digital photo of the vehicle; a form stating who authorized the tow and why; and the location to which the vehicle will be removed.
  2. The requirement that a towing service notify the MPD of any vehicle being towed and receive a tow reference number before a vehicle is towed.
  3. “Drop fee” regulations detailing in what circumstances and at what cost an owner may recover a vehicle before it is towed.
  4. New requirements relating to the recovery of personal belongings from a towed vehicle, acceptable payment methods, the location to which a vehicle may be towed and the amount a towing service may charge the owner of a non-consensually-towed vehicle.

**Table 1. Current City Licenses Relating to Recycling, Salvaging and Towing.**

<b>License/Permit</b>	<b>Activity</b>	<b>Exceptions</b>	<b>Term</b>	<b>Fee</b>	<b>Related State License</b>
<b>Auto Wrecker</b>	Dismantling motor vehicles for the purpose of dealing in the parts thereof.	Licensee is not required to obtain used bike, tire & battery license.	24 months from date of issuance	\$250 main yard; \$50 each add'l yard	WI Salvage Dealer WI Seller's Permit
<b>Junk Collector</b>	Dealing in junk within the city as a business or employment.	Those engaged only as waste tire transporters; used bike, tire & battery dealers; secondhand motor vehicle (including parts-only) dealers; and auto wreckers.	24 months from date of issuance	\$150 per vehicle; \$50 per pushcart	WI Salvage Dealer (if hauling for wrecking)
<b>Junk Dealer</b>	Dealing in junk and maintaining a yard or building therefor.		24 months from date of issuance	\$275 main yard; \$45 each add'l yard	WI Salvage Dealer (if hauling for wrecking) State Sellers Permit
<b>Junker</b>	Gathering/handling any material on a public, private or city dump for salvage, junking or scavenging.	N/A	Calendar year	\$20	None, specifically
<b>Secondhand Motor Vehicle Dealer</b>	Dealing in used or secondhand motor vehicles and motor vehicles parts.	Licensee is not required to obtain used bike, tire & battery license.	24 months from date of issuance	\$290	WI Retail Dealer WI Seller's Permit (not required for wholesale)
<b>Tow Trucks (no current license)</b>	Recovering or transporting of wrecked, disabled, abandoned, or used vehicles.	N/A	N/A	N/A	Motor Carrier Permit
<b>Used Bicycle, Tire or Battery Dealer</b>	Dealing in used or secondhand bicycles, bicycle parts, tires and batteries.	None	24 months from date of issuance	\$75	WI Seller's Permit (not required for wholesale)
<b>Used Motor Vehicle Dealer (Parts Only)</b>	Dealing exclusively in used or secondhand motor vehicle parts.	Licensee is not required to obtain used bike, tire & battery license.	24 months from date of issuance	\$228	WI Seller's Permit (not required for wholesale)
<b>Waste Tire Transporter</b>	Engaging in the business of transporting waste tires on a public way.	Transporters of 5 or fewer tires.	12-month period (Oct 1 - Sept 30)	\$140 first vehicle; \$35 each add'l	Solid Waste/Recyclables, Hazardous & Infectious Waste Transporter
<b>Waste Tire Generator</b>	Engaging in the sale and mounting or receipt of new, used or remanufactured tires.	Generators of 25 or fewer waste tires per year.	12-month period (Oct 1 - Sept 30)	\$250 per generator	Solid Waste/Recyclables, Hazardous & Infectious Waste Transporter

**Table 2. Current Overlap in Selected Scrap Metal-Related Business Licenses, City of Milwaukee.**

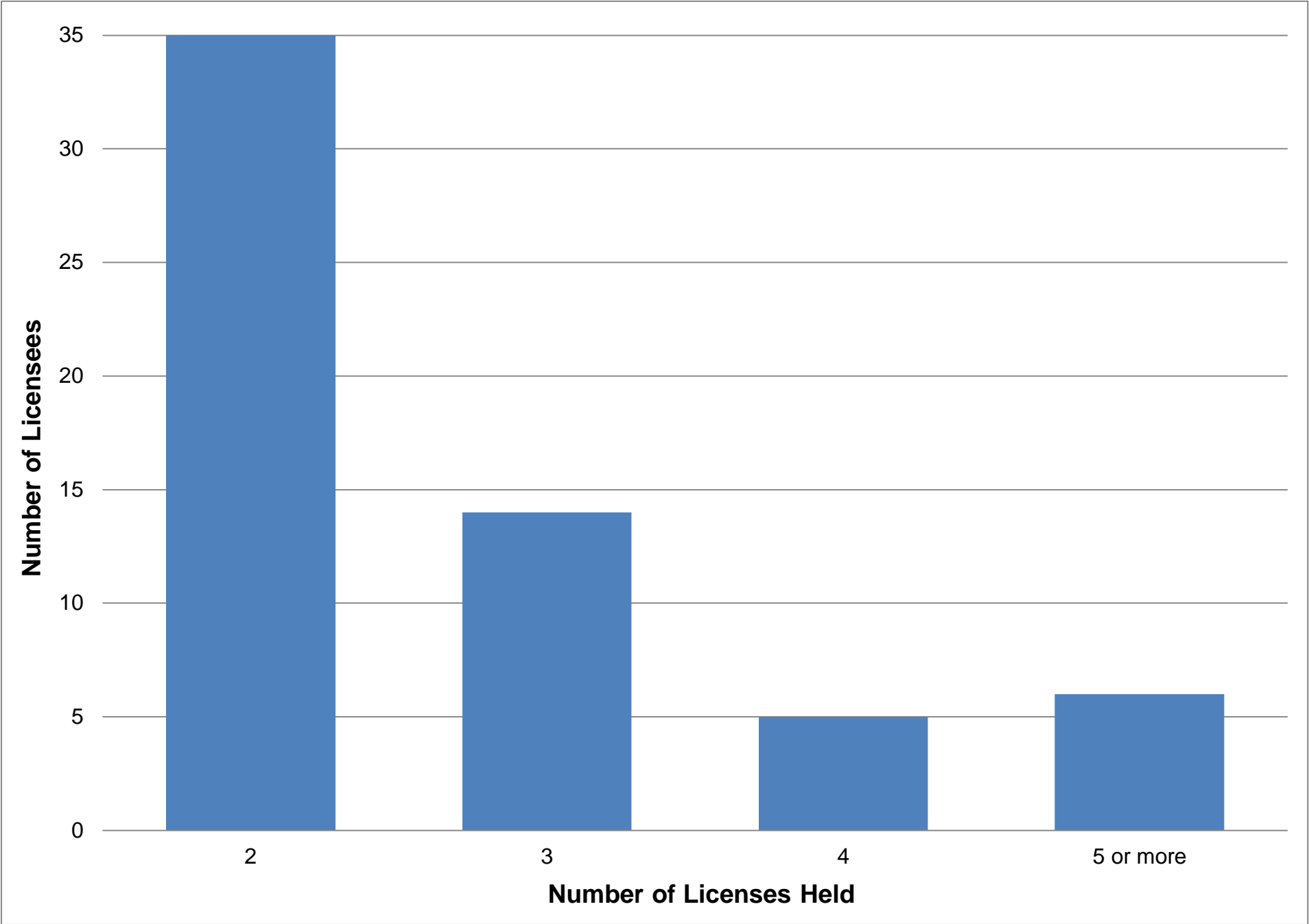
<b>License / Combination</b>	<b>Current Biennial Fee</b>	<b>Proposed Biennial Fee</b>	<b># Currently Holding License Combination</b>	<b>Current Biennial Total</b>	<b>Proposed Biennial Total</b>
<b>Auto Wrecker</b>	\$250	\$275	8	\$2,000	\$2,200
<b>Auto Wrecker + Additional Yard</b>	\$300	\$325	3	\$900	\$975
<b>Auto Wrecker + Junk Collector + Waste Tire Generator</b>	\$900	\$275	1	\$900	\$275
<b>Auto Wrecker + Junk Dealer</b>	\$525	\$275	4	\$2,100	\$1,100
<b>Auto Wrecker + Junk Dealer + Waste Tire Generator</b>	\$1,025	\$275	4	\$4,100	\$1,100
<b>Auto Wrecker + Waste Tire Generator</b>	\$750	\$275	5	\$3,750	\$1,375
<b>Auto Wrecker + Waste Tire Generator + W.T. Transporter</b>	\$1,030	\$275	1	\$1,030	\$275
<b>Junk Collector</b>	\$150	\$150	74	\$11,100	\$11,100
<b>Junk Collector (x2)</b>	\$300	\$300	3	\$900	\$900
<b>Junk Dealer</b>	\$275	\$275	8	\$2,200	\$2,200
<b>Junk Dealer + Waste Tire Generator + W.T. Transporter</b>	\$1,055	\$275	1	\$1,055	\$275
<b>Waste Tire Generator</b>	\$500	\$275	222	\$111,000	\$61,050
<b>Waste Tire Generator + Waste Tire Transporter</b>	\$780	\$275	15	\$11,700	\$4,125
<b>Waste Tire Transporter</b>	\$280	\$150	7	\$1,960	\$1,050
<b>Waste Tire Transporter (x2)</b>	\$350	\$150	5	\$1,750	\$750
<b>Waste Tire Transporter (x3)</b>	\$420	\$150	3	\$1,260	\$450
<b>TOTAL*</b>	--	--	--	\$169,490	\$92,850

\*Total includes other license combinations not shown in this table.

**Table 3. Additional Business Licensing Scenarios, Currently and Under the Proposed Recycling, Salvaging and Towing License System.**

<b>Scenario</b>	<b>Current City License(s) Required</b>	<b>Current Cost</b>	<b>Under Proposed Recycling, Salvaging and Towing (RST) License</b>	<b>Proposed Cost</b>
A business performs towing services, (including non-consensual towing) and maintains a yard for the purposes thereof.	Auto Wrecker (if dismantling vehicles), Used Motor Vehicles Dealer - Parts Only (if selling parts)	\$478	RST Premises License	\$275
A business maintains a yard and purchases vehicles for dismantling, recycling, salvaging and the sale of parts thereof.	Junk Dealer, Auto Wrecker, Waste Tire Generator, Used Motor Vehicles Dealer (Parts Only)	\$1,003	RST Premises License	\$275
A business performs consensual towing services only and does not maintain a yard for the purposes thereof.	None	None	RST Vehicle License	\$150
A business collects junk and deals in used or secondhand bicycles, bicycle parts, tires and batteries.	Junk Collector, Used Bicycle, Tire or Battery Dealer, Junker (if collecting junk from a public or private dump)	\$225	RST Vehicle License	\$150
A business collects junk, exclusively.	Junk Collector	\$150	RST Vehicle License	\$150

**Figure 1. Frequency of Multiple Licenses Held by Recycling and Scrap-related Businesses under Current Licensing Provisions.**



Source: Review of License Division Records, 5/11/15.