

# House Bill 2422

Sponsored by Representative KOTEK; Representatives BARTON, MATTHEWS, NATHANSON

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Prohibits sale or purchase of catalytic converter unless seller or purchaser has permit issued by Department of Transportation. Provides certain exceptions. Punishes violation by maximum of one year's imprisonment, \$6,250 fine, or both.

Permits department to issue permit for sale or purchase of catalytic converter. Restricts persons to which department may issue permit. Requires department to maintain registry of permit holders.

Requires manufacturer of catalytic converter to impose \$100 charge on first sale of catalytic converter. Provides for return of charge to purchaser in certain circumstances. Requires manufacturer to maintain record of charges returned.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to sales of catalytic converters; and declaring an emergency.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. (1) As used in this section, "catalytic converter" means a motor vehicle**  
5 **pollution control system, as defined in ORS 468A.350, that reduces or abates air pollution**  
6 **from motor vehicle exhaust by means of oxidation or chemical reduction.**

7 **(2) Except as provided in subsection (3) of this section, a person may not sell or purchase**  
8 **a catalytic converter that is not installed for use in a motor vehicle unless the person has**  
9 **a permit issued by the Department of Transportation under section 2 of this 2009 Act.**

10 **(3) An individual may purchase a catalytic converter not installed for use in a motor**  
11 **vehicle without the permit described in subsection (2) of this section if:**

12 **(a) The individual brings a catalytic converter removed from the individual's motor ve-**  
13 **hicle to the point of purchase and, as part of the purchase transaction, exchanges the cata-**  
14 **lytic converter removed from the individual's vehicle for the catalytic converter that the**  
15 **individual purchases; or**

16 **(b) The individual signs an affidavit on a form provided by the Department of Transpor-**  
17 **tation in which the individual, under penalty of perjury, attests that the individual does not**  
18 **have a catalytic converter to exchange as part of the purchase transaction because the cata-**  
19 **lytic converter has been lost or stolen.**

20 **(4) Violation of this section is a Class A misdemeanor.**

21 **SECTION 2. (1) The Department of Transportation, in accordance with the provisions of**  
22 **this section, may issue a permit in a form prescribed by the department to allow sales and**  
23 **purchases of catalytic converters, as defined in section 1 of this 2009 Act.**

24 **(2) The department may issue the permit described in subsection (1) of this section only**  
25 **to the following persons:**

26 **(a) A person in possession of a vehicle dealer certificate issued under ORS 822.020;**

27 **(b) A person in possession of a dismantler certificate issued under ORS 822.110;**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (c) A person engaged in the business of retail sales of motor vehicle parts or accessories,  
 2 provided the person is registered with the Office of the Secretary of State to do business in  
 3 the State of Oregon; or

4 (d) A person engaged in the business of manufacturing catalytic converters, provided the  
 5 person is registered with the Office of the Secretary of State to do business in the State of  
 6 Oregon.

7 (3) The department shall maintain a registry of persons to which the department issues  
 8 a permit under this section. The registry shall include the following information for each  
 9 person:

10 (a) The name and residence address;

11 (b) If the person is a firm or partnership, the name of the firm or partnership and the  
 12 names and residence addresses of all members of the firm or partnership;

13 (c) If the person is a corporation, the name of the corporation and the names and resi-  
 14 dence addresses of the corporation's principal officers, together with the name of the state  
 15 under the laws of which the corporation is organized;

16 (d) The name under which the person conducts business;

17 (e) The street address, including the city and county in Oregon, if any, where the person  
 18 conducts business; and

19 (f) A description of the nature of the business the person conducts.

20 (4) The department shall devise a form for the affidavit described in section 1 (3)(b) of  
 21 this 2009 Act and make the form available, electronically or otherwise, to a person to which  
 22 the department issues a permit under this section. The form shall require the individual that  
 23 signs the affidavit to disclose the individual's name, address and telephone number or other  
 24 contact information. The department by rule shall require a person to which the department  
 25 issues a permit under subsection (1) of this section to provide the department with a copy  
 26 of all affidavits the person collects from individuals under section 1 (3)(b) of this 2009 Act.  
 27 The department shall maintain a file of the affidavits and shall make the file available to a  
 28 law enforcement agency upon request.

29 **SECTION 3.** (1) A manufacturer of catalytic converters, as defined in section 1 of this  
 30 2009 Act, shall impose upon the first purchaser of a catalytic converter a \$100 charge for  
 31 each sale in the State of Oregon, whether the catalytic converter is installed for use in a  
 32 motor vehicle or is sold as a separate motor vehicle part for installation in a motor vehicle.

33 (2) The manufacturer shall return the amount of the charge described in subsection (1)  
 34 of this section to a person that paid the charge in a sale of a catalytic converter if the per-  
 35 son:

36 (a) Returns a catalytic converter to the manufacturer; or

37 (b) Provides the manufacturer with the original of the signed affidavit described in sec-  
 38 tion 1 (3)(b) of this 2009 Act.

39 (3) The manufacturer shall maintain for five years a record of all transactions in which  
 40 the manufacturer returned the amount of the charge described in subsection (1) of this  
 41 section. The record shall include a file of all affidavits returned to the manufacturer under  
 42 subsection (2) of this section.

43 (4) If a purchaser of a catalytic converter has charged a subsequent purchaser of the  
 44 catalytic converter all or any portion of the charge described in subsection (1) of this section,  
 45 the purchaser shall return to the subsequent purchaser the amount charged if the subse-

1 **quent purchaser:**

2 (a) **Returns a catalytic converter to the purchaser; or**

3 (b) **Provides the purchaser with the original of the signed affidavit described in section**

4 **1 (3)(b) of this 2009 Act.**

5 **SECTION 4. Sections 1, 2 and 3 of this 2009 Act apply to sales and purchases of catalytic**  
6 **converters that occur on or after the effective date of this 2009 Act.**

7 **SECTION 5. This 2009 Act being necessary for the immediate preservation of the public**  
8 **peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect**  
9 **on its passage.**

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