

SB 803 -1 STAFF MEASURE SUMMARY

Senate Committee On Energy and Environment

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Meeting Dates: 3/16, 4/8

WHAT THE MEASURE DOES:

Prohibits scrap metal business from purchasing or receiving catalytic converters, except from commercial seller. Requires scrap metal business record the make, model year, vehicle identification number, license number and issuing state for private metal property that was removed.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Replaces measure. Prohibits person who transports private metal property from raising certain defense unless at the time the person was transporting the private metal property they were: a commercial seller or an agent or employee of a commercial seller and possessed certain information; the owner, agent, or employee of a scrap metal business with reasonable proof; a holder, or agent or employee, of a valid, current dismantler certificate; in possession of the title with their name listed as owner and they knew the current location of the vehicle. Defines and modifies definitions of certain key terms. Requires scrap metal business to create metal property record that includes the make, model year, license plate number, and state of issue of the motor vehicles used to transport the individual who conducts the transaction and to transport the nonferrous metal property or private metal property subject to the transaction; a specific description of private metal property included in the transaction; and for private metal property the vehicle identification number and a copy of the title or registration from which it was removed. Prohibits a scrap metal business from purchasing private metal property from commercial seller other than by electronic funds transfer, credit card, debit card, or stored value card or stored value device or by mailing a nontransferable check made payable to the commercial seller or dismantler, with certain stipulations. Prohibits a scrap metal business from purchasing or receiving private metal property, except from a commercial seller or individual who is the owner of the vehicle that it was removed from and provides certain information. Requires scrap metal business to create a metal property record, which includes certain information and all signatories to declare the accuracy of the information, before purchasing or receiving metal property from a commercial seller. Establishes that a person commits offense of unlawfully purchasing or receiving metal property if the person, agent, or employee of scrap metal business engages in purchasing or receiving metal property without doing the following: conducts transaction without holding a required license r; fails to create a metal property record; or purchases or receives private metal property at any place other than a fixed place of business. Authorizes Department of Transportation to impose a civil penalty not to exceed \$1,000 on a dismantler, in addition to any other penalty, if the dismantler: acquires a catalytic converter or a component of a catalytic converter that has been removed and offered for sale and an independent item; or fails to maintain records of transaction documents regarding the sale or disposal of a catalytic converter.

No Revenue Impact

Minimal Fiscal Impact

BACKGROUND:

Catalytic converters have been installed in almost all gasoline vehicles sold in the United States since 1975. Catalytic converters have a honeycomb-like interior — coated with precious metals like palladium, rhodium and platinum — that scrub toxic pollutants from the car's exhaust. The value of these metals fluctuate, but according

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to the New York Times the price of palladium is between \$2,000 and \$2,500 an ounce and rhodium prices has recently reached a record of \$21,900 an ounce.

Senate Bill 803 prohibits a scrap metal business from purchasing or receiving catalytic converters, except from commercial seller and requires the scrap metal business to record certain information related to the catalytic converter purchased or received.