
OLR Bill Analysis

sSB 256

AN ACT CONCERNING THE PURCHASE OR RECEIPT OF CATALYTIC CONVERTERS BY MOTOR VEHICLE RECYCLERS, SCRAP METAL PROCESSORS AND JUNK DEALERS.

SUMMARY

This bill makes several changes affecting motor vehicle recyclers, scrap metal processors, and junk dealers regarding how catalytic converters are received and sold.

For motor vehicle recyclers, the bill prohibits them from (1) receiving a vehicle's catalytic converter unless it is attached to a vehicle and (2) selling or transferring a converter unless they etch its corresponding vehicle identification number onto it.

For scrap metal processors and junk dealers, the bill establishes several recordkeeping requirements and other conditions surrounding the receipt of a catalytic converter that is not attached to its vehicle. Among other things, it prohibits anyone from selling more than one unattached catalytic converter to a scrap metal processor or junk dealer in a day.

Lastly, the bill makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2022

§ 1 — RESTRICTIONS ON MOTOR VEHICLE RECYCLERS

The bill eliminates current law that (1) prohibits motor vehicle recyclers from receiving a vehicle's catalytic converter unless the seller provides proof that he or she owns the vehicle or is the owner's authorized agent and (2) requires recyclers to keep copies of the proof with their records. It instead prohibits recyclers from receiving a vehicle's catalytic converter unless it is attached to a vehicle and received in compliance with existing state law. This law prohibits a

recycler from receiving a vehicle unless the recycler also receives, at the same time, (1) the vehicle's title certificate, if it is required to have title; or (2) a copy of the vehicle's title certificate made by an insurance company under state law.

Additionally, the bill prohibits motor vehicle recyclers from selling or transferring a catalytic converter unless the recycler (1) detaches it from a vehicle that was received in compliance with the above law and (2) etches onto it the vehicle identification number of the vehicle it was detached from.

The bill provides the same penalties for violations of the bill's provisions as apply to violations of existing law described above. The motor vehicles commissioner may, after notice and hearing, impose a civil penalty of \$100 to \$500 for each violation (§ 1(e)) and suspend the recycler's license (CGS § 14-67p). In addition, violations of motor vehicle recycler laws are punishable as class C misdemeanors, punishable by up to three months in prison, a fine of up to \$500, or both (CGS § 14-67v).

§ 2 — RESTRICTIONS AFFECTING SCRAP METAL PROCESSORS AND JUNK DEALERS

The bill prohibits scrap metal processors and junk dealers from receiving a catalytic converter that is not attached to its vehicle unless they, at the same time:

1. record the place and date of the transaction, a description of the converter, including item type and identification number, if any, and the amount paid for the converter;
2. record (a) a description of the seller and the seller's name, residence address, and driver's license or identity card number, or (b) if the seller is a business, its name, address, and telephone number;
3. record the license plate of the vehicle used to transport the converter;
4. obtain a statement from the seller (a) that the seller is the

converter's owner or (b) identifying the name of the person from whom the seller obtained the converter, as shown on a signed transfer document; and

5. take a clear photograph or video of the seller, the seller's driver's license or identity card, and the converter.

The bill prohibits anyone from selling more than one unattached catalytic converter to a scrap metal processor or junk dealer in a day.

Under the bill, scrap metal processors and junk dealers may only pay a seller of an unattached catalytic converter by check. They must either (1) send the check to the address provided by the seller at the time of receipt, or (2) hold it at their place of business for collection by the seller not earlier than the third business day after the date they purchased the converter.

The bill requires scrap metal processors and junk dealers to maintain the above documents and other records in good condition, retain them for at least two years, and allow law enforcement officials to inspect them upon request during normal business hours. They must also submit to the Department of Emergency Services and Public Protection (DESPP) sworn statements of their catalytic converter transactions, describing the property received and setting forth the nature and terms of each transaction and the seller's name, description, and residence address.

The bill gives the DESPP commissioner discretion to require these statements be submitted on a weekly basis or more often after considering the volume and nature of a processor's or dealer's business. The statements must be in an electronic format set by the commissioner; however, he may grant an exemption to this requirement if good cause is shown. The commissioner must include the submitted information in any database storing information on pawnbroker transactions.

Under existing law, it is a class C misdemeanor for anyone engaged in the business of a junk dealer to violate the junk dealer laws (CGS § 21-13). This also applies to violations of the bill.

COMMITTEE ACTION

Public Safety and Security Committee

Joint Favorable Substitute

Yea 23 Nay 0 (03/22/2022)