

# STATE OF NEW YORK

9242

## IN SENATE

May 12, 2022

Introduced by Sens. SAVINO, ADDABBO -- read twice and ordered printed,  
and when printed to be committed to the Committee on Transportation

AN ACT to amend the vehicle and traffic law, the general business law  
and the insurance law, in relation to imposing certain restrictions on  
catalytic converters

The People of the State of New York, represented in Senate and Assem-  
bly, do enact as follows:

1 Section 1. The vehicle and traffic law is amended by adding a new  
2 article 12-E to read as follows:

### ARTICLE 12-E

#### CATALYTIC CONVERTERS

3 Section 399-u. Catalytic converters.

4 § 399-u. Catalytic converters. 1. For the purposes of this article the  
5 following terms shall have the following meanings:

6 (a) "Catalytic converter" means an exhaust emission control device  
7 which modifies exhaust gas from an internal combustion engine by cata-  
8 lyzing a redox reaction.

9 (b) "Used or scrap catalytic converter" means a catalytic converter  
10 that was previously installed in a vehicle and which has been removed  
11 from such vehicle in whole or in part.

12 2. A used or scrap catalytic converter shall only be purchased or  
13 otherwise accepted by an entity which is licensed as either a scrap  
14 processor or as a vehicle dismantler pursuant to this chapter.

15 3. A scrap processor or vehicle dismantler which purchases one or more  
16 used or scrap catalytic converters shall:

17 (a) Record the date of purchase, the name of the seller, and the sell-  
18 er's residential or business address;

19 (b) Make and retain a copy of the government issued photographic iden-  
20 tification card used to verify the identity of any natural person from  
21 whom such used or scrap catalytic converters were purchased; and

22 (c) Record the unique identification number, if any, affixed to each  
23 such used or scrap catalytic converter purchased from a seller.

24 § 2. Subdivision (d) of section 301 of the vehicle and traffic law is  
25 amended by adding a new paragraph 5 to read as follows:  
26  
27

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1 (5) (a) The commissioner shall establish and maintain a catalytic  
2 converter record program to enable a facility performing such  
3 inspections pursuant to this section to:

4 (i) Indelibly mark or engrave a vehicle catalytic converter with a  
5 readily observable unique serial number if such catalytic convert is not  
6 already marked; and

7 (ii) Maintain a record of the make, model, vehicle type, vehicle iden-  
8 tification number and the unique serial number marked, engraved or  
9 otherwise affixed to each such catalytic converter.

10 (b) For the purposes of this paragraph the term "catalytic converter"  
11 shall have the same meaning as defined in section three hundred ninety-  
12 nine-u of this title.

13 § 3. The vehicle and traffic law is amended by adding a new section  
14 415-d to read as follows:

15 § 415-d. Catalytic converter serial number requirements. No retail  
16 dealer shall sell a new or used motor vehicle or parts of vehicles for  
17 which a certificate of title has been issued by the commissioner or  
18 which would be eligible to have such a certificate of title issued  
19 unless the vehicle catalytic converter has been indelibly marked or  
20 engraved with a readily observable unique serial number. Such dealer  
21 shall maintain a record of the make, model, vehicle type, vehicle iden-  
22 tification number and the unique serial number marked, engraved or  
23 otherwise affixed to each such catalytic converter.

24 § 4. Section 69-e of the general business law, as added by chapter 431  
25 of the laws of 1976, is amended to read as follows:

26 § 69-e. Definitions. 1. "Scrap metal processing facility" shall mean  
27 an establishment engaged primarily in the purchase, processing and ship-  
28 ment of ferrous and/or non-ferrous scrap~~[, the end product of which is~~  
29 ~~the production of raw material for remelting purposes for steel mills,~~  
30 ~~foundaries, smelters, refiners, and similar users]~~ metal and/or end of  
31 life vehicles but shall not include a redemption center, dealer or  
32 distributor as such terms are defined in section 27-1003 of the environ-  
33 mental conservation law or an electronic waste collection, consolidation  
34 or recycling facility as such terms are defined in section 27-2601 of  
35 the environmental conservation law.

36 2. "Scrap processor" shall mean any person, association, partnership  
37 or corporation operating and maintaining a "scrap metal processing  
38 facility".

39 3. "Government issued photographic identification" shall mean any  
40 current and valid official form of identification issued by the govern-  
41 ment of the United States of America, a state, territory, protectorate,  
42 or dependency of the United States of America, a county, municipality or  
43 subdivision thereof, any public agency or department thereof, or any  
44 public employer, which requires and bears the photograph of the person  
45 to whom it is issued.

46 4. "Catalytic converter" shall mean an exhaust emission control device  
47 which modifies exhaust gas from an internal combustion engine by cata-  
48 lyzing a redox reaction.

49 5. "End of life vehicle" shall mean any motor vehicle sold, given, or  
50 otherwise disposed of as junk or salvage.

51 6. "Scrap catalytic converter" shall mean a catalytic converter that  
52 was previously installed in a vehicle and which has been removed from  
53 such vehicle in whole or in part.

54 § 5. Section 69-g of the general business law, as amended by chapter  
55 302 of the laws of 2007, is amended to read as follows:

1 § 69-g. Records. 1. [~~Such~~] A scrap [processor] metal processing facil-  
2 ity shall record [(i) each purchase of any pig or pigs of metal, bronze  
3 or brass castings or parts thereof, sprues or gates or parts thereof,  
4 utility wire or brass car journals, or of metal beer kegs, and (ii)]  
5 each purchase of [iron, steel] ferrous and/or nonferrous scrap or an end  
6 of life vehicle for a price of fifty dollars or more, and preserve such  
7 record for a period of three years; which record shall show the date of  
8 purchase, the name of the seller, [his] the seller's residence or busi-  
9 ness address [by street, number, city, village or town], the driver's  
10 license number or information from a government issued photographic  
11 identification card, [if any, of such person, or by such description as  
12 will reasonably locate the seller,] and the type and quantity of such  
13 purchase[, and the]. The scrap processor shall cause such record to be  
14 signed by the seller or his or her agent. It shall be unlawful for any  
15 seller to refuse to furnish such information or to furnish incorrect or  
16 incomplete information. Such scrap processor shall also make and retain  
17 a copy of the government issued photographic identification card used to  
18 verify the identity of [the] any natural person from whom the scrap  
19 metal was purchased and shall retain this copy in a separate book,  
20 register or electronic archive [for two years from the date of  
21 purchase].

22 2. Such records shall be available for inspection by [~~the police~~  
23 ~~department of the state or the municipality in which the establishment~~  
24 ~~is located] law enforcement personnel or a state regulatory agency.~~

25 3. a. A scrap metal processing facility shall be licensed as a scrap  
26 processor or a vehicle dismantler pursuant to section three hundred  
27 ninety-nine-u of the vehicle and traffic law prior to the purchase  
28 and/or acceptance of one or more scrap catalytic converters.

29 b. A scrap metal processing facility which purchases one or more scrap  
30 catalytic converters shall:

31 (i) record the date of purchase, the name of the seller, and the sell-  
32 er's residential or business address;

33 (ii) make and retain a copy of the government issued photographic  
34 identification card used to verify the identity of any natural person  
35 from whom such scrap catalytic converters were purchased; and

36 (iii) record the unique identification number, if any, affixed to each  
37 such catalytic converter purchased from each seller.

38 4. No later than June first, two thousand twenty-three, all scrap  
39 metal processing facility shall install and maintain an electronic video  
40 recording system at all customer scales and at all points of sale  
41 located on the premises of the scrap metal processing facility. Elec-  
42 tronic video records shall be maintained in an electronic archive for a  
43 period of no less than one hundred twenty days from the date when such  
44 electronic video record was made. Such electronic video record shall be  
45 available for inspection upon demand by law enforcement personnel or a  
46 state regulatory agency.

47 § 6. Section 69-h of the general business law is renumbered section  
48 69-i and two new sections 69-h and 69-j are added to read as follows:

49 § 69-h. Government scraps. Notwithstanding any provision of law, rule  
50 or regulation to the contrary, it shall be unlawful for a scrap metal  
51 processing facility to purchase as scrap any metal items bearing mark-  
52 ings of any governmental entity, utility company, cemetery or railroad  
53 unless such items are offered for sale by an employee or agent thereof  
54 with the express written authorization of any such governmental entity,  
55 utility company, cemetery or railroad.

1 § 69-j. Preemption of local laws. The provisions of sections sixty-  
2 nine-g and sixty-nine-h of this article shall supersede and preempt all  
3 rules, regulations, codes, statutes or ordinances of all cities, coun-  
4 ties, municipalities and local agencies which would:

5 1. Regulate the purchase or sale of scrap metal;

6 2. Impose record keeping or reporting requirements in a manner which  
7 conflicts with or imposes additional record keeping requirements other  
8 than those set forth within this article;

9 3. Require a scrap metal processing facility to hold scrap material  
10 for a specified period of time prior to the processing or sale of said  
11 scrap material; or

12 4. Specify a manner of payment for such scrap metal.

13 § 7. Section 69-i of the general business law, as added by chapter 431  
14 of the laws of 1976 and as renumbered by section six of this act, is  
15 amended to read as follows:

16 § 69-i. Penalty. 1. [~~Each violation of this article by a scrap proces-~~  
17 ~~sor shall be a violation subject to a fine of not more than two hundred~~  
18 ~~dollars, unless such violation shall be wilful, in which event it shall~~  
19 ~~be a misdemeanor except, however, the scrap processor shall not be~~  
20 ~~liable for any violation of this article by a seller, his agent, or a~~  
21 ~~purported seller or agent] A person found to have violated a provision  
22 of this article shall be guilty of a violation and liable for a fine of  
23 not more than one thousand dollars and/or imprisonment for a term of not  
24 more than fifteen days.~~

25 2. [~~Each violation of this article by a seller or his agent shall be a~~  
26 ~~misdemeanor.] A person found to have violated any provision of this  
27 article for a second time within a two-year period shall be guilty of a  
28 misdemeanor and subject to a criminal fine of not more than five thou-  
29 sand dollars and/or imprisonment for a term of not more than one year.~~

30 3. If a defendant has gained money or property through the commission  
31 of any misdemeanor or violation pursuant to this section and upon  
32 conviction thereof, the court, in lieu of imposing the fine authorized  
33 for the offense pursuant to subdivision one or two of this section, may  
34 sentence such defendant to pay an amount, fixed by the court, not to  
35 exceed double the amount of such defendant's gain from the commission of  
36 the offense.

37 § 8. Section 2336 of the insurance law is amended by adding a new  
38 subsection (i) to read as follows:

39 (i) Any schedule of rates or rating plan for non-commercial private  
40 passenger automobile insurance shall also provide for an actuarially  
41 appropriate reduction in premium charges for property damage liability,  
42 comprehensive and collision coverage with respect to automobiles  
43 equipped with a catalytic converter upon which a unique marking or  
44 engraving has been made.

45 § 9. This act shall take effect January 1, 2023. Effective immediate-  
46 ly, the addition, amendment and/or repeal of any rule or regulation  
47 necessary for the implementation of this act on its effective date are  
48 authorized to be made and completed on or before such effective date.