

STATE OF NEW YORK

9536

IN SENATE

August 17, 2022

Introduced by Sen. LIU -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the general business law, in relation to the receipt of catalytic converters by junk dealers and scrap dealers

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

1 Section 1. The general business law is amended by adding a new section
2 62-a to read as follows:

3 § 62-a. Catalytic converters. 1. Except as provided in subdivisions
4 two and three of this section, no junk dealer, junk yard owner or opera-
5 tor, or scrap metal processor or scrap metal processing facility as
6 described in article six-C of this chapter may receive a catalytic
7 converter of a motor vehicle that is not attached to such motor vehicle
8 unless such processor, dealer, owner, operator processor or facility, at
9 the time of receipt:

10 a. records the place and date of the transaction, a description of the
11 catalytic converter, including item type and identification number, if
12 any, and the amount paid for the catalytic converter;

13 b. records a description of the seller and the seller's name, resi-
14 dence address and motor vehicle operator's license or identity card
15 number or, if the seller is a business, the name, address and telephone
16 number of the business;

17 c. records the number plate of the motor vehicle used to transport the
18 catalytic converter to the licensee;

19 d. obtains from the seller a statement (i) that the seller is the
20 owner of such catalytic converter, or (ii) identifying the name of the
21 person from whom the seller obtained the catalytic converter, as shown
22 on a signed transfer document; and

23 e. takes a clear photograph or video of the seller, the motor vehicle
24 operator's license or identity card of the seller and the catalytic
25 converter.

26 2. No junk dealer, junk yard owner or operator, or scrap metal proces-
27 sor or scrap metal processing facility as described in article six-C of
28 this chapter may receive a catalytic converter of a motor vehicle that

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

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1 is not attached to such motor vehicle from a motor vehicle recycler
2 unless:

3 a. such catalytic converter has a stock number affixed to or written
4 on such converter by such recycler; and

5 b. at the time of receipt, such processor, dealer, owner or operator
6 (i) receives a written statement on such recycler's letterhead that
7 includes the stock number of the catalytic converter and the vehicle
8 identification number of the motor vehicle from which such catalytic
9 converter was detached, provided a single written statement may be used
10 for a transaction involving more than one catalytic converter, and (ii)
11 takes a clear photograph or video of the employee of such recycler who
12 is transferring the catalytic converter and such employee's motor vehi-
13 cle operator's license or identity card.

14 3. No junk dealer, junk yard owner or operator, or scrap metal proces-
15 sor or scrap metal processing facility as described in article six-C of
16 this chapter may receive a catalytic converter of a motor vehicle that
17 is not attached to such motor vehicle from a motor vehicle repair shop
18 unless:

19 a. such catalytic converter was removed from a motor vehicle that was
20 serviced by such shop;

21 b. such catalytic converter has a stock number affixed to or written
22 on such converter by such shop; and

23 c. at the time of receipt, such processor, dealer, owner or operator
24 (i) receives a written statement on such shop's letterhead that includes
25 the stock number affixed to or written on such converter, information on
26 the motor vehicle from which such catalytic converter was detached,
27 including the vehicle identification number and registration number, if
28 applicable, of the motor vehicle and a receipt for the services
29 performed on such motor vehicle, provided a single written statement may
30 be used for a transaction involving more than one catalytic converter,
31 and (ii) takes a clear photograph or video of the employee of such shop
32 who is transferring the catalytic converter and such employee's motor
33 vehicle operator's license or identity card.

34 4. A person selling a catalytic converter pursuant to subdivision one
35 of this section may sell only one catalytic converter to a junk dealer,
36 junk yard owner or operator, or scrap metal processor or scrap metal
37 processing facility as described in article six-C of this chapter per
38 day.

39 5. A junk dealer, junk yard owner or operator, or scrap metal proces-
40 sor or scrap metal processing facility as described in article six-C of
41 this chapter may only pay a seller of a catalytic converter by check. If
42 the seller is a motor vehicle recycler or motor vehicle repair shop,
43 such check shall be payable to the motor vehicle recycler or motor vehi-
44 cle repair shop. If the seller is not a motor vehicle recycler or motor
45 vehicle repair shop, such processor, dealer, owner or operator shall
46 either:

47 a. send the check to the address provided by the seller pursuant to
48 paragraph b of subdivision one of this section; or

49 b. hold the check at such processor's, dealer's, owner's or operator's
50 place of business or facility for collection by the seller not earlier
51 than the third business day after the date of the purchase of such cata-
52 lytic converter by such processor, dealer, owner or operator.

53 6. A junk dealer, junk yard owner or operator, or scrap metal proces-
54 sor or scrap metal processing facility as described in article six-C of
55 this chapter may only sell a catalytic converter that such processor,
56 dealer, owner or operator received in compliance with the provisions of

1 subdivision one of this section, and may sell such catalytic converters
2 without any limitation on the number that may be sold per day.

3 7. Each junk dealer, junk yard owner or operator, or scrap metal
4 processor or scrap metal processing facility as described in article
5 six-C of this chapter shall submit to the division of state police, on a
6 weekly basis or more frequently as determined by the superintendent of
7 state police upon consideration of the volume and nature of the busi-
8 ness, a sworn statement of such processor's, dealer's, owner's, opera-
9 tor's or facility's catalytic converter transactions, (i) describing the
10 property received, (ii) setting forth the nature and terms of each tran-
11 saction, and (iii) identifying the name and address of the motor vehicle
12 recycler or motor vehicle repair shop from which the property was
13 received, or identifying the name and residence address and providing a
14 description of the person from whom the property was received. Such
15 statement shall be in an electronic format prescribed by the superinten-
16 dent of state police. The superintendent of state police may grant an
17 exemption from the requirement of submitting such statement in electron-
18 ic format for good cause shown. The superintendent of state police shall
19 include information submitted pursuant to this section in any database
20 that stores information relating to transactions by junk dealers, junk
21 yard owners or operators, or scrap metal processors or scrap metal proc-
22 essing facilities.

23 8. The commissioner of motor vehicles shall adopt regulations concern-
24 ing the creation and retention of documents and other records required
25 by subdivision one of this section. Such documents and records shall be
26 open for inspection by law enforcement officials upon request during
27 normal business hours.

28 § 2. This act shall take effect on the first of January next succeed-
29 ing the date upon which it shall have become a law.