STATE OF NEW YORK

882--A

2023-2024 Regular Sessions

IN SENATE

January 6, 2023

Introduced by Sen. LIU -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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:

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

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

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

b. records a description of the seller and the seller's name, residence address and motor vehicle operator's license or identity card number or, if the seller is a business, the name, address and telephone number of the business;

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

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

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

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

2. No junk dealer, junk yard owner or operator, or scrap metal processor or scrap metal processing facility as described in article six-C of this chapter may receive a catalytic converter of a motor vehicle that is not attached to such motor vehicle from a motor vehicle recycler unless:

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

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

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

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

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

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

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

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

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

b. hold the check at such processor's, dealer's, owner's or operator's place of business or facility for collection by the seller not earlier

than the third business day after the date of the purchase of such catalytic converter by such processor, dealer, owner or operator.

6. A junk dealer, junk yard owner or operator, or scrap metal processor or scrap metal processing facility as described in article six-C of this chapter may only sell a catalytic converter that such processor, dealer, owner or operator received in compliance with the provisions of subdivision one of this section, and may sell such catalytic converters without any limitation on the number that may be sold per day.

7. Each junk dealer, junk yard owner or operator, or scrap metal processor or scrap metal processing facility as described in article six-C of this chapter shall submit to the division of state police, on a monthly basis or more frequently as determined by the superintendent of state police upon consideration of the volume and nature of the business, a sworn statement of such processor's, dealer's, owner's, operator's or facility's catalytic converter transactions, (i) describing the property received, (ii) setting forth the nature and terms of each transaction, and (iii) identifying the name and address of the motor vehicle recycler or motor vehicle repair shop from which the property was received, or identifying the name and residence address and providing a description of the person from whom the property was received. Such statement shall be in an electronic format prescribed by the superintendent of state police. The superintendent of state police may grant an exemption from the requirement of submitting such statement in electronic format for good cause shown. The superintendent of state police shall include information submitted pursuant to this section in any database that stores information relating to transactions by junk dealers, junk yard owners or operators, or scrap metal processors or scrap metal processing facilities.

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

§ 2. This act shall take effect on the first of January next succeeding the date upon which it shall have become a law.