

# Chapter 15

2023 Regular Session

**Subject** Catalytic converter purchase requirements and penalties

**Bill** H.F. 30

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## Overview

Catalytic converters are a portion of the exhaust system of motor vehicles. They filter out certain byproducts to reduce harmful emissions and improve a vehicle's efficiency. They contain various precious metals and have been the target of thefts by individuals who cut them from the bottom of a vehicle.

In 2013, the legislature established sections 168A.1501 and 325E.21 which required scrap metal dealers to record certain information about individuals who sold scrap metal, including copper plumbing and catalytic converters. The law also required that the dealers maintain video surveillance and prohibited cash payments.

This bill adds additional requirements that scrap metal dealers must follow when purchasing catalytic converters, including a requirement that any catalytic converter be marked with an identifying number that connects it to the vehicle from which it was taken. The bill also requires entities to be registered with the Department of Public Safety before engaging in the business of purchasing scrap metal and provides for cancellation of that registration. It also establishes criminal penalties for the unauthorized possession or purchase of a catalytic converter and makes conforming changes.

## Summary

Section	Description
1	<b>Definitions.</b> Amends the definition of "scrap metal dealer" to include a scrap metal processor.
2	<b>Purchase or acquisition record required.</b> Makes a conforming change related to permitting only scrap metal dealers to purchase catalytic converters. Amends the information scrap metal dealers must record when purchasing catalytic converters to include an identification number to

Section	Description
	connect the catalytic converter to the vehicle from which it was removed and the identity of the employee who purchases the catalytic converter.
3	<b>Retention required.</b> Makes a conforming change adding to the records that must be retained by scrap metal dealers.
4	<b>Registration required.</b> Permits the Department of Public Safety to cancel or deny the registration of any scrap metal dealer convicted of a felony for violating the section of law governing scrap metal dealer operations, including an illegal purchase of a catalytic converter. Classifies the registration data as public data.
5	<b>Training.</b> Requires that employees of scrap metal dealers who engage in transactions involving the purchase of catalytic converters must be trained and familiar with the requirements governing those transactions.
6	<b>Criminal penalty.</b> Establishes that a scrap metal dealer who intentionally violates the provisions related to the purchase of a catalytic converter is guilty of a misdemeanor. Establishes that a person who violates the prohibitions on possessing or purchasing a catalytic converter is guilty of: <ul style="list-style-type: none"><li>▪ a misdemeanor, if the person possesses one catalytic converter;</li><li>▪ a gross misdemeanor if the person possesses two catalytic converters;</li><li>▪ a felony with a maximum sentence of five years of imprisonment if the person possesses at least three, but not more than ten, catalytic converters;</li><li>▪ a felony with a maximum sentence of ten years if the person possesses more than ten, but not more than 70, catalytic converters; and</li><li>▪ a felony with a maximum sentence of 20 years of imprisonment if the person possesses more than 70 catalytic converters.</li></ul>
7	<b>Restitution.</b> Requires a court to include the costs and expenses of replacing a catalytic converter as a portion of any restitution ordered in a criminal case.
8	<b>Prohibition on possessing catalytic converters; exception.</b> Prohibits the possession of a used catalytic converter that is not attached to a motor vehicle under certain circumstances.

<b>Section</b>	<b>Description</b>
9	<b>Prohibition.</b> Prohibits a person who is not a registered scrap metal dealer to purchase a used catalytic converter under certain circumstances.
10	<b>Purchase of catalytic converters.</b> Prohibits scrap metal dealers from purchasing a catalytic converter that is not attached to a motor vehicle unless the catalytic converter contains identifying markings that can be used to connect the catalytic converter to a vehicle. Permits businesses like automobile repair businesses to provide alternative information to establish that the catalytic converter was lawfully removed from a vehicle. Permits individuals to prove ownership with an affidavit from a local law enforcement agency. Requires scrap metal dealers to make certain information available to law enforcement and enter data into an electronic database. Prohibits removing a catalytic converter from the dealer's premises for seven days after acquisition of the catalytic converter and prohibits making payment for a catalytic converter for five days after acquisition. Contains an exception for purchases from a business engaged in vehicle dismantling, vehicle demolishing, scrap metal recycling, or automotive repair services.
11	<b>Exception; recovered catalytic converters.</b> Provides that it is not a violation of the requirements related to the purchase of catalytic converters for a scrap metal dealer to acquire a catalytic converter from a law enforcement agency if the catalytic converter is recovered as contraband.
12	<b>Vehicle electronic database requirement.</b> Requires scrap metal dealers to enter recorded information related to the purchase of a catalytic converter in the electronic database approved by the commissioner of public safety. Also requires the display of signs telling patrons that transactions are reported to law enforcement. Requires the commissioner of public safety to make information in the database available to law enforcement agencies.
13	<b>Contraband.</b> Authorizes appropriate agencies to sell catalytic converters that are seized as contraband and directs that the proceeds be provided to the person from whom it was stolen. Requires the appropriate agency to mark the catalytic converter as required for the sale of other catalytic converters.
14	<b>Weapons, telephone cloning paraphernalia, automated sales suppression devices, catalytic converters, and bullet-resistant vests.</b> Establishes that a catalytic converter possessed in violation of state law is contraband and must be summarily forfeited upon a conviction.

**Section Description**

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**15 Department of Public Safety; appropriation.**

Appropriates \$298,000 in fiscal years 2024 and 2025 from the general fund to the commissioner of public safety to perform the auditing and registration requirements imposed under this bill.



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