
HOUSE COMMITTEE AMENDMENTS

2022 Regular Session

Substitute for Original House Bill No. 801 by Representative Goudeau as proposed by the House Committee on Commerce

This document reflects the content of a substitute bill but is not in a bill form; page numbers in this document DO NOT correspond to page numbers in the substitute bill itself.

To enact Part II-B of Chapter 21 of Title 37 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 37:1891 through 1896, relative to scrap metal recyclers; to provide definitions; to provide for fees; to provide for licensing requirements; to provide for record keeping; to provide for exceptions; to provide for fines and penalties; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Part II-B of Chapter 21 of Title 37 of the Louisiana Revised Statutes of 1950, comprised of R.S. 37:1891 through 1896, is hereby enacted to read as follows:

PART II-B. CATALYTIC CONVERTER PURCHASERS

§1891. Short title

This Part shall be known and may be cited as the "Louisiana Catalytic Converter Sales Law".

§1892. Definitions

For purposes of this Part, the following words have the following meanings:

(1) "Catalytic converter" means an exhaust emission control device that reduces toxic gas and pollutants from internal combustion engines.

(2) "Catalytic converter purchaser" is a person licensed by the commission to buy catalytic converters pursuant to the provisions of this Part.

(3) "Commission" means the Louisiana Used Motor Vehicle and Parts Commission.

(4) "Person" includes any corporation, limited liability company, partnership, or two or more persons having a joint or common interest.

§1893. License required; application

A. No person shall do business as a catalytic converter purchaser in this state without having first obtained the occupational license from the commission. Any person desiring a license as a catalytic converter purchaser shall make application in writing, specifying the address of the building where the business is to be carried on. A license issued pursuant to this Chapter shall be good for one year.

B.(1) It shall be unlawful for any person, firm, association, corporation, limited liability company, or trust to engage in the business of purchasing used catalytic converters in this state without first obtaining a license as required by this Section.

(2) Any person, firm, association, corporation, limited liability company, or trust that engages in the business of purchasing used catalytic converters pursuant to this Section shall obtain and hold a current license for each location in which he engages in business of purchasing used catalytic converters.

C.(1) The commission shall create a form to be used as an application for licensure as a buyer of used catalytic converters and shall provide the form to an applicant.

(2) The commission shall require all of the following information in the application:

- (a) The name of the applicant.
- (b) The street address of applicant's principal place of business and each additional place of business.
- (c) The type of business organization of applicant.
- (d) The applicant's financial standing.
- (e) The applicant's business integrity.
- (f) Whether the applicant has an established place of business and is engaged in the pursuit, avocation, or business for which each license is applied.
- (g) Whether the applicant is able to properly conduct the business for which each license is applied.
- (h) Any other pertinent information consistent with the safeguarding of the public interest and the public welfare.

(i) Any other information the commission deems necessary to enable it to fully determine the qualifications and eligibility of the applicants to receive a license.

(3) The applicant shall sign the application prior to submission to the commission.

(4)(a) Upon submission of an application, an applicant shall pay all applicable fees in accordance with this Section. If an application is denied and the license is not issued, the commission shall return all licensing fees to the applicant.

(b) Any licensee that submits a renewal application after the expiration date of an existing license shall be subject to a late penalty of one hundred dollars in addition to any penalty, fine, or cost assessed for operating without a license which shall be paid to the commission.

(c) Any licensee having a previous annual license shall be presumed to be a renewal applicant.

(d) Any licensee changing its name, address, or ownership shall notify the commission within ten days of the change or be in violation of this Section.

(e) Any licensee ceasing to maintain its business shall surrender its license to the commission within ten days and any failure to do so shall constitute a violation.

D. The commission shall specify the location of the place of business on each license issued. If the business location is changed, the commission shall be notified immediately of the change and the commission may endorse the change of location on the license without charge. The license shall be posted in a conspicuous place in each place of business.

E. The commission shall promulgate rules to implement the provisions of this Section.

§1894. Exceptions

The provisions of this Part shall not apply to persons solely engaged in the business of buying, selling, trading in, or otherwise acquiring new motor vehicles.

§1895. Statement by seller required; record keeping

A. Except as otherwise provided for in this Section, it is unlawful for any individual or entity to possess, obtain or otherwise acquire, transport, or sell a used, detached catalytic converter or any nonferrous part of a catalytic converter without providing all of the following documentation to law enforcement upon request:

(1) The name and address of the residence or place of business of the person required to either keep the register and file reports or electronically maintain the data and generate the requested reports.

(2) The date and place of each purchase.

(3) The name and address of the person or persons from whom the material was purchased, including the distinctive number of each person's Louisiana driver's license, driver's license from another state, passport, military identification, or identification issued by a governmental agency or the United States Postal Service. If the person cannot produce any of the above forms of identification at the time of purchase, the purchaser shall not complete the transaction.

(4) The motor vehicle license number of the vehicle or conveyance on which such material was delivered.

(5) A full description of all such material purchased.

B. All information obtained pursuant to Subsection A of this Section shall be kept for a period of three years and shall be made available for inspection by any peace officer, law enforcement official, or commission official at any time during the three-year period.

C. It is unlawful to provide any false, fraudulent, altered or counterfeit information or documentation as required by this Section.

§1896. Failure to comply; penalty

A. Anyone acting as an unlicensed catalytic converter purchaser in violation of the provisions of this Part shall be fined not less than five hundred dollars or be imprisoned not less than thirty days nor more than sixty days, or both, per violation.

B. For a second offense, the violator shall be fined not more than two thousand dollars or be imprisoned with or without hard labor for not more than two years, or both.

C. For a third or subsequent offense, the violator shall be fined not more than ten thousand dollars or be imprisoned with or without hard labor for not more than five years, or both.

D. Each unlawfully obtained, possessed, or transported used, detached catalytic converter is a separate violation that subjects the individual or entity to a separate charge. Upon conviction, the court may order the individual or entity to pay restitution for the value of the repair and replacement of the catalytic converter or be held liable as otherwise provided by law.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB Draft

2022 Regular Session

Abstract: Prohibits a person from purchasing a used catalytic converter unless certain conditions are met.

Proposed law defines "catalytic converter", "commission", "person", and "catalytic converter purchaser".

Proposed law requires a person to be licensed in order to do business as a catalytic converter purchaser.

A person applying for a license pursuant to proposed law shall make an application in person and provide a bond of \$2,500.

Proposed law requires a licensed purchaser to hold a separate license for each place of business where he purchases used catalytic converters.

Proposed law requires the Used Motor Vehicle Commission (commission) to create a form to be used as an application for licensure and provides the required information the form is to contain.

Proposed law requires an applicant to sign the application and pay all applicable fees prior to obtaining a license.

Proposed law requires a late fee be paid for a license renewal, if the original license is expired prior to application for renewal.

A person who ceases to maintain a business shall surrender there license pursuant to proposed law.

Proposed law requires the commission to indicate the business address on each license and requires the license holder to notify the commission if the address changes.

The commission is required to promulgate rules to implement provisions of proposed law.

Proposed law does not apply to persons buying and selling new motor vehicles.

Proposed law requires a seller of a used catalytic convertor to provide certain documentation to the law enforcement upon request.

Information collected pursuant to proposed law shall be maintained for three years.

A violation of proposed law subjects the person in violation to fees, imprisonment, or both. The amount of the fee and duration of the imprisonment increases with each subsequent violation, and each catalytic convertor purchased in violation of proposed law constitutes a separate violation.

(Adds R.S. 37:1891-1896)