

2022 Regular Session

HOUSE BILL NO. 1073 (Substitute for House Bill No. 801 by Representative GOUDEAU)

BY REPRESENTATIVES GOUDEAU, BACALA, HUVAL, AND STEFANSKI

SECONDHAND DEALERS: Provides relative to scrap metal recyclers

1 AN ACT

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

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Part II-B of Chapter 21 of Title 37 of the Louisiana Revised Statutes of  
9 1950, comprised of R.S. 37:1891 through 1896, is hereby enacted to read as follows:

10 PART II-B. CATALYTIC CONVERTER PURCHASERS

11 §1891. Short title

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

14 §1892. Definitions

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

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

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

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

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

1        §1893. License required; application

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

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

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

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

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

20               (a) The name of the applicant.

21               (b) The street address of applicant's principal place of business and each  
22       additional place of business.

23               (c) The type of business organization of applicant.

24               (d) The applicant's financial standing.

25               (e) The applicant's business integrity.

26               (f) Whether the applicant has an established place of business and is engaged  
27       in the pursuit, avocation, or business for which each license is applied.

28               (g) Whether the applicant is able to properly conduct the business for which  
29       each license is applied.

1           (h) Any other pertinent information consistent with the safeguarding of the  
2           public interest and the public welfare.

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

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

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

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

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

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

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

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

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

1        §1894. Exceptions

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

4        §1895. Statement by seller required; record keeping

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

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

12                (2) The date and place of each purchase.

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

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

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

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

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

1        §1896. Failure to comply; penalty

2                A. Anyone acting as an unlicensed catalytic converter purchaser in violation

3                of the provisions of this Part shall be fined not less than five hundred dollars or be

4                imprisoned not less than thirty days nor more than sixty days, or both, per violation.

5                B. For a second offense, the violator shall be fined not more than two

6                thousand dollars or be imprisoned with or without hard labor for not more than two

7                years, or both.

8                C. For a third or subsequent offense, the violator shall be fined not more than

9                ten thousand dollars or be imprisoned with or without hard labor for not more than

10               five years, or both.

11               D. Each unlawfully obtained, possessed, or transported used, detached

12               catalytic converter is a separate violation that subjects the individual or entity to a

13               separate charge. Upon conviction, the court may order the individual or entity to pay

14               restitution for the value of the repair and replacement of the catalytic converter or be

15               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 1073 Engrossed

2022 Regular Session

Goudeau

**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.

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 Louisiana 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 payed 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)