

**Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 22-0124.01 Richard Sweetman x4333

SENATE BILL 22-009

SENATE SPONSORSHIP

Ginal and Hisey, Liston

HOUSE SPONSORSHIP

Bird and Benavidez, Bockenfeld

Senate Committees

Transportation & Energy
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING CATALYTIC CONVERTERS, AND, IN CONNECTION**
102 **THEREWITH, ENACTING MEASURES TO ADDRESS THE THEFT**
103 **OF CATALYTIC CONVERTERS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Section 1 of the bill requires the air quality control commission in the department of public health and environment to promulgate rules establishing:

- Evaluation procedures for aftermarket catalytic converters;
and

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

- Procedures for the division of administration in the department of public health and environment (division) to use to certify aftermarket catalytic converters for installation and sale.

Section 2 states that on and after October 31, 2022, it is unlawful to install, sell, offer for sale, or advertise any used, recycled, or salvaged catalytic converter unless the catalytic converter is an aftermarket catalytic converter that has been certified for installation and sale by the division.

For the purposes of regulating purchases of commodity metals and the commodities metals theft task force, **section 3** amends the definition of "commodity metal" to include rhodium, palladium, or platinum-clad components of a catalytic converter. For the purposes of the existing criminal statute prohibiting the operation of motor vehicle chop shops, **section 4** adds catalytic converters to the definition of "major component motor vehicle part". **Section 5** requires each auto parts recycler to consult the national motor vehicle title information system for each catalytic converter that the auto parts recycler acquires from the recycling of a motor vehicle in order to determine whether the catalytic converter is stolen.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 18-13-111, **amend**
3 **(1)(a), (1)(b) introductory portion, (1)(c), (1)(d), (1.3)(a) introductory**
4 **portion, (1.3)(a)(I), (1.3)(a)(III), (1.3)(b), (1.5), (2), (4), (8) introductory**
5 **portion, (8)(b.5), (8)(d), (9)(c), (10)(a)(I), (10)(a)(III), and (10)(b);**
6 **amend as it exists until March 1, 2022, (5); and add (8)(b.3) as follows:**

7 **18-13-111. Purchases of commodity metals or catalytic**
8 **converters - violations - commodity metals theft task force - creation**
9 **- composition - reports - legislative declaration - definitions - repeal.**

10 **(1) (a) Except as otherwise provided in subsection (3) of this section,**
11 **every owner, keeper, or proprietor of a junk shop, junk store, salvage**
12 **yard, or junk cart or other vehicle and every collector of or dealer in junk,**
13 **salvage, or other secondhand property shall keep a book or register**
14 **detailing all transactions involving commodity metals OR CATALYTIC**

1 CONVERTERS.

2 (b) The owner, keeper, proprietor, collector, or dealer shall record
3 the identification of a seller of commodity metals OR CATALYTIC
4 CONVERTERS in the book or register and the method by which the seller
5 verified his or her THE SELLER'S identity. The seller shall verify his or her
6 THE SELLER'S identity by one of the following:

7 (c) The owner, keeper, proprietor, collector, or dealer shall require
8 the seller of a commodity metal OR CATALYTIC CONVERTER to provide for
9 the book or register:

10 (I) A signed affidavit, sworn and affirmed under penalty of law,
11 that the seller is the owner of the commodity metal OR CATALYTIC
12 CONVERTER or is otherwise entitled to sell the commodity metal OR
13 CATALYTIC CONVERTER. The owner, keeper, proprietor, collector, or
14 dealer shall provide the affidavit form to the seller.

15 (II) The license plate number and description of the vehicle or
16 conveyance, if any, in which the commodity metal OR CATALYTIC
17 CONVERTER was delivered.

18 (d) The owner, keeper, proprietor, collector, or dealer shall
19 include the following in the book or register:

20 (I) The date and place of each purchase of the commodity metal
21 OR CATALYTIC CONVERTER; and

22 (II) The description and quantity of the commodity metal OR
23 CATALYTIC CONVERTER purchased.

24 (1.3) (a) A purchaser of commodity metals OR CATALYTIC
25 CONVERTERS shall:

26 (I) Sign up with the scrap theft alert system maintained by the
27 Institute of Scrap Recycling Industries, Incorporated, or its successor

1 organization, to receive alerts regarding thefts of commodity metals OR
2 CATALYTIC CONVERTERS in the purchaser's geographic area;

3 (III) Use the alerts to identify potentially stolen commodity metals
4 OR CATALYTIC CONVERTERS, including training the purchaser's employees
5 to use the alerts during the purchaser's daily operations.

6 (b) A purchaser of commodity metals OR CATALYTIC CONVERTERS
7 shall maintain for ninety days copies of any theft alerts received and
8 downloaded pursuant to paragraph (a) of this subsection (1.3)
9 SUBSECTION (1.3)(a) OF THIS SECTION. A purchaser shall also maintain
10 documentation that the purchaser educates employees about, and provides
11 to employees, scrap theft alerts.

12 (1.5) (a) An owner, keeper, proprietor, collector, or dealer is
13 permitted to pay a seller in cash for any commodity metals METAL OR
14 CATALYTIC CONVERTER transaction of three hundred dollars or less.

15 (b) If the transaction costs more than three hundred dollars, the
16 owner, keeper, proprietor, collector, or dealer shall pay the seller of a
17 commodity metal OR CATALYTIC CONVERTER by check unless the seller
18 is paid by means of any process in which a picture of the seller is taken
19 when the money is paid.

20 (2) Except as otherwise provided in subsection (3) of this section,
21 the owner, keeper, proprietor, collector, or dealer of any commodity metal
22 OR CATALYTIC CONVERTER shall make a digital photographic record,
23 video record, or other record that identifies the seller and the commodity
24 metal OR CATALYTIC CONVERTER that the seller is selling. The digital
25 photographic record, video record, or other record format shall be
26 retained for one hundred eighty days, and the owner shall permit a law
27 enforcement officer to make inspections of the record.

1 (4) The information entered in the book or register, as provided
2 in subsection (1) of this section, need not be kept for a period longer than
3 three years after the date of purchase of the commodity metal OR
4 CATALYTIC CONVERTER.

5 (5) A person who violates subsection (1) of this section by failing
6 to keep a book or register, any person who knowingly gives false
7 information with respect to the information required to be maintained in
8 the book or register provided for in subsection (1) of this section, and any
9 person who violates subsection (1.3), (1.5), or (2) of this section commits:

10 (a) A class 2 misdemeanor if the value of the commodity metal OR
11 CATALYTIC CONVERTER involved is less than five hundred dollars; or

12 (b) A class 1 misdemeanor if the value of the commodity metal OR
13 CATALYTIC CONVERTER involved is five hundred dollars or more.

14 (8) For the purposes of AS USED IN this section, unless the context
15 otherwise requires:

16 (b.3) "CATALYTIC CONVERTER" MEANS A POST-COMBUSTION
17 DEVICE THAT:

18 (I) OXIDIZES HYDROCARBONS AND CARBON MONOXIDE GASES OR
19 REDUCES OXIDES OF NITROGEN; AND

20 (II) IS DESIGNED OR INTENDED FOR USE AS PART OF AN EMISSION
21 CONTROL SYSTEM.

22 (b.5) "Commodity metal" means copper; a copper alloy, including
23 SUCH AS bronze or brass; or aluminum. "Commodity metal" does not
24 include precious metals, such as gold, silver, or platinum.

25 (d) "Dealer" means any person, business, or entity that buys, sells,
26 or distributes, for the purpose of recycling, any commodity metal OR
27 CATALYTIC CONVERTER on a wholesale basis.

1 (9) (c) The task force shall hold its first meeting no later than July
2 1, 2011. At the first meeting, the task force shall discuss the best way to
3 distribute and use information related to theft of scrap metals, including
4 whether and how to promote use by law enforcement agencies of the
5 scrap theft alert system maintained by the institute of scrap recycling
6 industries, incorporated, or its successor organization. Thereafter, the task
7 force shall meet on a regular basis, convening at least every October, to
8 discuss issues related to theft of commodity metals OR CATALYTIC
9 CONVERTERS, including sharing relevant information on theft of scrap
10 metal, identifying ways in which Colorado's laws regulating commodity
11 metals METAL AND CATALYTIC CONVERTER purchases can be improved to
12 reduce theft, and reviewing any performance problems or communication
13 issues. The task force is specifically directed to consider:

14 (I) Possible policies or practices to aid in tracking or apprehending
15 stolen commodity metals OR CATALYTIC CONVERTERS prior to the point
16 of sale in order to assist law enforcement personnel in theft prevention
17 and recovery of stolen materials;

18 (II) Recommendations regarding when and how a commodity
19 metals METAL OR CATALYTIC CONVERTER purchaser should be required
20 to apprise local law enforcement authorities if a purchased commodity
21 metal OR CATALYTIC CONVERTER is a potential match of a commodity
22 metal OR CATALYTIC CONVERTER reported stolen in the scrap theft alert
23 system; and

24 (III) The creation and attributes of a civil penalty process for
25 egregious and repeat violators of the record-keeping requirements of this
26 section.

27 (10) (a) The general assembly hereby finds, determines, and

1 declares that:

2 (I) Thefts of commodity metals AND CATALYTIC CONVERTERS
3 jeopardize the safety and welfare of the public, financially burden
4 taxpayers and industry, and exhaust law enforcement resources;

5 (III) The regulation of commodity metal OR CATALYTIC
6 CONVERTER purchases is a matter of statewide concern.

7 (b) In order to continue the ability of the state to identify causes
8 of commodity metal AND CATALYTIC CONVERTER theft and provide
9 realistic solutions to the theft problem, the general assembly encourages
10 law enforcement authorities in the state to join the scrap theft alert system
11 maintained by the Institute of Scrap Recycling Industries, Incorporated,
12 or its successor organization, and to report thefts of commodity metals
13 AND CATALYTIC CONVERTERS occurring within their jurisdictions to this
14 system. The general assembly also encourages commercial stakeholders
15 affected by commodity metals METAL AND CATALYTIC CONVERTER theft
16 to sign up for and participate in the scrap theft alert system. _____

17 _____
18 **SECTION 2.** In Colorado Revised Statutes, 18-4-420, **amend**
19 **(5)(b)(XV) and (5)(b)(XVI); and add (5)(b)(XVII) as follows:**

20 **18-4-420. Chop shop activity - ownership or operation of a**
21 **chop shop - altered or removed identification number - penalties -**
22 **definitions. (5) As used in this section, unless the context otherwise**
23 **requires:**

24 (b) "Major component motor vehicle part" means any of the
25 following parts of a motor vehicle:

26 (XV) A wheel or tire; or

27 (XVI) ~~Any other part of a motor vehicle that is comparable in~~

1 ~~design or function to any of the parts that have been listed, or that have~~
2 ~~been labeled with a unique traceable identification number, by the~~
3 ~~manufacturer of the motor vehicle or part.~~ A CATALYTIC CONVERTER; OR

4 (XVII) ANY OTHER PART OF A MOTOR VEHICLE THAT IS
5 COMPARABLE IN DESIGN OR FUNCTION TO ANY OF THE PARTS THAT HAVE
6 BEEN LISTED, OR THAT HAVE BEEN LABELED WITH A UNIQUE TRACEABLE
7 IDENTIFICATION NUMBER, BY THE MANUFACTURER OF THE MOTOR VEHICLE
8 OR PART.

9 **SECTION 3.** In Colorado Revised Statutes, **add** 42-4-2205 as
10 follows:

11 **42-4-2205. Catalytic converters - checks for stolen materials**
12 **required.** ANY PERSON THAT ACQUIRES FIVE OR MORE VEHICLES WITHIN
13 ANY TWELVE-MONTH PERIOD FOR THE PURPOSE OF DISMANTLING,
14 WRECKING, SHREDDING, COMPACTING, CRUSHING, OR OTHERWISE
15 DESTROYING VEHICLES FOR RECLAIMABLE PARTS OR SCRAP METALS,
16 INCLUDING CATALYTIC CONVERTERS, SHALL REPORT ALL SUCH VEHICLES
17 TO THE NATIONAL MOTOR VEHICLE TITLE INFORMATION SYSTEM WITHIN
18 FIVE DAYS AFTER ACQUIRING THE VEHICLES TO ENSURE THAT THE
19 VEHICLES ARE NOT STOLEN.

20 **SECTION 4. Safety clause.** The general assembly hereby finds,
21 determines, and declares that this act is necessary for the immediate
22 preservation of the public peace, health, or safety.