

# OFFICE OF POLICY AND LEGAL ANALYSIS

Date: 4-13-21  
To: Transportation Committee  
From: Sam Praver, Legislative Analyst

## LD 796 – An Act To Restrict Sales of Catalytic Converters Removed from Motor Vehicles

**SUMMARY:** This bill restricts any person other than a holder of an inspection mechanic certificate from selling a catalytic converter that has been removed from a motor vehicle.

### TESTIMONY:

**Proponents:** *Sen. Timberlake, Caribou Police Department, Dan Davis*

- Theft of catalytic converters has been on the rise. They are often removed from parked cars and sold for the high value of the metals
- Charging the perpetrators is extremely difficult because there is no way to match a converter with the car it has been removed from
- One suggestion for deterrence is marking the converter with a unique marking, such as a serial number, another is to require a seller to have title to the vehicle where the converter came from. These are starting points.
- Since 2008, the Caribou Police Department has responded to more than 46 thefts of Catalytic Converters, with the total of \$147,000 dollars' worth of replacement cost to the victims. The police had one subject turn in 21 Catalytic Converters at one time and received \$2,500 in return to them - to the victim's that was a \$67,000 loss. The Department is currently investigating a burglary from a local recycling company of 113 Catalytic Converters with a scrap metal value of \$15,000

*\*Testimony of Dan Davis: includes proposed amended language.*

**Opponents:** *Maine Automotive Recyclers Association, Auto Recyclers Association, Kerby Littlefield, Robert Kirby, Maine Auto Dealers Association, David A. Bolduc, LKQ Corporation, Darryl Brown Jr., Institute of Scrap Recycling Industries*

- This bill as written will not stop the buying and selling of converters
- Licensed business owners should be allowed to buy and sell catalytic converters, as they are an important part of the business
- Automotive recyclers rely on the ability to resell automotive parts for both repair purposes and for scrap metal
- The language presented has the unintended consequence of restricting the way auto recyclers dispose of catalytic converters
- Auto recyclers recognize this is an issue and would like to work with committee to find a solution
- Problem is in identifying stolen parts and matching with vehicles the parts have been removed from
- Catalytic converters are not currently included in federal law requiring parts to be marked with vehicle identification numbers, which allow law enforcement to identify stolen vehicle parts. States should play a proactive role in giving law enforcement the tools needed to investigate, identify, and arrest catalytic converter thieves
- LKQ Corporation recommends: limiting sellers of detached catalytic converters to licensed businesses or individuals or entities who hold title to the vehicle from which a catalytic converter was removed
- Maine Auto Dealers Association recommends: having such transactions be handles by licensed auto inspection stations
- Auto Recyclers Association recommends:
  - 1) Identify the person selling the converter with certainty
  - 2) Identify the donor vehicle with certainty (through marking)
  - 3) Traceable payments
  - 4) Transaction records accessible to law enforcement
  - 5) What converters can be sold as repair parts determined by EPA and state regulators
  - 6) Penalties need to strong enough to serve as a deterrent

*\*See Also: Model legislation submitted by Maine Automotive Recyclers Association*

## TECHNICAL ISSUES:

- **Mechanic vs. Station.** This bill only permits a certified inspection mechanic, [29-A §1761](#), to sell a catalytic converter that has been removed from a motor vehicle. Allowing the sale by a non-mechanic employee of a certified inspection station would require amending the bill to reference [29-A §1762](#).

## NOTES:

- **Scrap Metal Processor Reporting.** Scrap metal processors are subject to record keeping and reporting requirements under [Title 30-A, Chapter 183, sub-chapter 1-A](#). By definition, a “scrap metal processor” is a person that purchases scrap metal for resale or recycling. ([30-A, §3771, sub-§5](#)). “Scrap metal” is defined as metal that can be recycled, including, but not limited to, bits and pieces of metal parts that may be combined together with bolts or soldering and can be recycled when worn or superfluous, this would cover a catalytic converter removed from a motor vehicle. ([30-A, §3771, sub-§4](#)).

### Record keeping requirements include:

- A. The name, address and gender of the seller. The scrap metal processor shall require the seller to provide proof of identification with a driver's license, military identification card, passport or other form of government-issued photo identification. The scrap metal processor shall photocopy the form of photo identification presented and record the distinct identifying number of that photo identification. If the proof of identification contains a photograph that is faded, out of date or otherwise indiscernible, the scrap metal processor shall photograph the seller. A scrap metal processor shall keep these proof of identification records in a secure, nonpublic location and, unless otherwise permitted by law, may not publish, reproduce, distribute or disclose these records for any other purpose than that described in [section 3773, subsection 2](#). Information required under this paragraph may be maintained for repeat sellers in a relational database that allows the scrap metal processor to record the information one time and relate future purchase records to that information;
- B. The date of the scrap metal purchase transaction;
- C. A general description of the predominant types of scrap metal purchased, which must be made in accordance with the custom of the trade;
- D. A general description of the configuration of the scrap metal and whether the material is insulated;
- E. The weight, quantity or volume, recorded in accordance with the custom of the trade, of the scrap metal purchased;
- F. The consideration paid;
- G. A signed statement that the seller is the owner or is otherwise authorized to sell the scrap metal on a form provided by the buyer that conspicuously bears the warning that making a false statement is a Class D crime under [Title 17-A, section 453](#); and
- H. The make, model and number and state of issue of the license plate of the vehicle being used to deliver the scrap metal.

### Violation of these provisions include the following penalties: (In addition to any other penalties provided by law)

- A. A person who violates this subchapter commits a civil violation for which a fine of \$1,000 must be adjudged;
- B. A person who violates this subchapter after having previously been adjudicated of violating this subchapter commits a civil violation for which a fine of \$3,000 must be adjudged; and
- C. A person who violates this subchapter after having previously been adjudicated of violating this subchapter more than once commits a civil violation for which a fine of \$4,500 must be adjudged and is prohibited from acting as a scrap metal processor for 6 months.

## FISCAL IMPACT:

Preliminary fiscal impact information not yet available.