



MEMORANDUM OF LEGISLATION

DATE: March 31, 2023

TITLE: A law to regulate the buying and selling of catalytic converters

SPONSORS: Legislator Tubiolo, Minority Whip Nolan, Legislator Woodson-Samuels

INITIAL OR GENERAL IDEA OF THE BILL: This bill will create regulations to prevent illegal transactions involving catalytic converters by regulating the buying and selling of such items. The bill will also attach specific conditions to any transaction involving catalytic converters.

INTENT: To build off of recent changes to 415-a of the NYS Vehicle and Traffic Law (VTL), to deter the theft of catalytic converters by requiring those who buy and sell catalytic converters maintain records that may be made available to law enforcement for investigative purposes. The first part of the bill should be modeled after Chapter 4 of Division 4 of the California Vehicle and Traffic Code. The first part of the bill should prohibit a person from purchasing a catalytic converter from any source not specifically listed in the bill. This part of the bill should allow catalytic converters to be purchased from entities subject to the catalytic converter record keeping provisions of 415-a of the VTL and individuals who can demonstrate legal ownership.

The second part of the bill should be modeled off after Article 3 of Chapter 9 of Division 8 of the California Business and Professions Code. This part of the bill should specify that those subject to the catalytic converter record keeping provisions of 415-a of the VTL cannot accept a catalytic converter unless certain conditions are met. Among other things, these conditions should include: documenting the place and date where the catalytic converter was acquired; acquiring pertinent driver's license information of the person relinquishing the catalytic converter; providing a description of the catalytic converter and information related to the transaction; acquiring a statement from the person relinquishing the catalytic converter indicating ownership and the origin of the catalytic converter; where applicable acquiring a copy of the title of the vehicle from which the catalytic converter originates; acquiring a clear photo or video of the person relinquishing the catalytic converter, a clear photo or video of the catalytic converter; and acceptable forms of payment for the catalytic converter should be limited to checks, credit cards, and debit cards. Other forms of payment, including but limited to bartering, cash, money orders, prepaid cards, cryptocurrency, and electronic payment apps, should be prohibited.

JUSTIFICATION: In recent years, theft of catalytic converters have risen across the country including Westchester County. While NYS has recently reclassified catalytic converters to improve their tracking, the buying and selling of catalytic converters can be better regulated.

Catalytic Converters are sought after for their high value and precious metal composition. In 2022 there was a 182% increase in theft of Catalytic Converters as compared to 2021. The Westchester County District Attorney's Office indicted a ring of thieves who allegedly stole more than \$50,000 worth of Catalytic Converters in Westchester County. Catalytic Converter theft has become and continues to be a major problem. In 2022 New York State passed S9428/A1940 to combat this issue. Although the legislation passed by New York State addresses identification and classification the buying and selling process is not addressed in full.

PRESENT LAW: Sec. 415-a of the VTL requires vehicle dismantlers, salvage pools, mobile car crushers, and several others to keep a record of all catalytic converters that come into their possession. Such records must consist of the catalytic converters disposition, date of acquisition, and proof of ownership. Upon the request of law enforcement, such records must be made available for review. Additionally, the catalytic converter subject to the record keeping requirement must also be available for review by law enforcement.

FISCAL IMPACT: TBD

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