

1 S.48

2 An act relating to regulating the sale of catalytic converters

3 It is hereby enacted by the General Assembly of the State of Vermont:

4 Sec. 1. 9 V.S.A. chapter 82 is amended to read:

5 CHAPTER 82. SCRAP METAL PROCESSORS

6 * * *

7 § 3022. PURCHASE OF NONFERROUS SCRAP, METAL ARTICLES,

8 PROPRIETARY ARTICLES, AND RAILROAD SCRAP

9 (a) Catalytic converters.

10 (1) A scrap metal processor shall not purchase more than one used and
11 detached catalytic converter per day from any person, other than a motor
12 vehicle recycler or motor vehicle repair shop.

13 (2) A person, other than a motor vehicle recycler or motor vehicle repair
14 shop, shall not transport simultaneously two or more used and detached
15 catalytic converters unless:

16 (A) each catalytic converter is engraved or otherwise permanently
17 marked with the vehicle identification number of the vehicle from which it was
18 removed; and

19 (B) the person transporting the catalytic converter has in the person's
20 possession documentation demonstrating proof of lawful ownership as
21 specified in subdivision (b)(1) of this section.

1 (b) Documentation required for sale. A scrap metal processor may
2 purchase nonferrous scrap, metal articles, proprietary articles, and railroad
3 scrap only if the scrap metal processor complies with all the following
4 procedures:

5 (1) At the time of sale, the processor:

6 (A) requires the seller to provide a current government-issued
7 photographic identification that indicates the seller's full name, current
8 address, and date of birth, and records in a permanent ledger the identification
9 information of the seller, the time and date of the transaction, the license
10 number of the seller's vehicle, and a description of the items received from the
11 seller; and

12 (B) requests and, ~~if available,~~ collects:

13 (i) third-party documentation from the seller of the items offered
14 ~~for sale, that establishes that the seller lawfully owns the items to be sold,~~ such
15 as a bill of sale, itemized receipt, or letter of authorization, signed by the
16 person from whom the seller purchased the item; or ~~similar evidence~~

17 (ii) a written affidavit of ownership that establishes states that the
18 seller lawfully owns the items to be sold.

19 (2) After purchasing an item from a person who ~~fails to~~ does not provide
20 ~~documentation~~ a bill of sale, itemized receipt, or letter of authorization signed

1 by the person from whom the seller purchased the item pursuant to subdivision
2 (1)(B)(i) of this subsection, the processor:

3 (A) submits to the Department of Public Safety ~~no~~ not later than the
4 close of the following business day a report that describes the item and the
5 seller's identifying information required in subdivision (1)(A) of this
6 subsection; and

7 (B) holds the item for at least 10 days following purchase.

8 (c) Retention of records. The information collected by a scrap metal
9 processor pursuant to this section shall be retained for at least five years at the
10 processor's normal place of business or other readily accessible and secure
11 location. On request, this information shall be made available to any law
12 enforcement official or authorized security agent of a governmental entity who
13 provides official credentials at the scrap metal processor's business location
14 during regular business hours.

15 § 3023. PENALTIES

16 (a) A ~~scrap metal processor~~ person who violates any provision of this
17 chapter for the first time may be assessed a civil penalty not to exceed
18 \$1,000.00 for each transaction.

19 (b) A ~~scrap metal processor~~ person who violates any provision of this
20 chapter for a second or subsequent time shall be fined not more than
21 \$25,000.00 for each transaction.

1 Sec. 2. 24 V.S.A. § 2242 is amended to read:

2 § 2242. REQUIREMENT FOR OPERATION OR MAINTENANCE

3 (a) A person shall not operate, establish, or maintain a salvage yard unless
4 ~~he or she~~ the person:

5 (1) holds a certificate of approval for the location of the salvage yard;
6 and

7 (2) holds a certificate of registration issued by the Secretary to operate,
8 establish, or maintain a salvage yard.

9 (b) The issuance of a certificate of registration under subsection (a) of this
10 section shall not relieve a salvage yard from the obligation to comply with
11 existing State and federal environmental laws and to obtain all permits required
12 under State or federal environmental law.

13 (c) The Secretary may require a person to obtain a salvage yard certificate
14 of registration under this section upon a determination, based on available
15 information, that the person has taken action to circumvent the requirements of
16 this subchapter.

17 (d) Prior to issuing a certificate of registration, the Secretary shall obtain
18 written acknowledgment that the person seeking the certificate is aware of, and
19 will comply with, the requirements for buying, selling, transporting, and
20 keeping records concerning nonferrous scrap, metal articles, proprietary
21 articles, and railroad scrap pursuant to 9 V.S.A. chapter 82.

1 Sec. 3. 24 V.S.A. § 2244 is added to read:

2 § 2244. PERIODIC INSPECTIONS

3 (a) The Secretary shall conduct an unannounced inspection of the physical
4 operation, record-keeping practices, and regulatory compliance practices of
5 salvage yards to ensure compliance with applicable provisions of this
6 subchapter.

7 (b) As part of the inspection program, the Secretary shall annually inspect
8 at least one facility to ensure compliance with 9 V.S.A. chapter 82.

9 Sec. 4. ADOPTION OF FORMS; PUBLIC OUTREACH

10 (a) The Department of Public Safety shall adopt and make available on its
11 public website sample forms for an affidavit or other proof of ownership, for
12 collection and retention of records, and for other record-keeping purposes that
13 persons may use to comply with the requirements for buying, selling,
14 transporting, and keeping records concerning nonferrous scrap, metal articles,
15 proprietary articles, and railroad scrap pursuant to 9 V.S.A. chapter 82.

16 (b) The Department of Public Safety and the Agency of Natural Resources
17 shall coordinate to design and implement a public outreach campaign to
18 educate sellers of scrap metal and proprietary articles, including catalytic
19 converters; scrap metal processors; and law enforcement on the requirements
20 for buying, selling, transporting, and keeping records concerning nonferrous

- 1 scrap, metal articles, proprietary articles, and railroad scrap pursuant to
- 2 9 V.S.A. chapter 82 and other relevant provisions of law.
- 3 Sec. 5. EFFECTIVE DATE
- 4 This act shall take effect on July 1, 2023.