



# ChamberWest

## Business Theft Task Force Working Subcommittee

### Suggested Language for Interim Bill on Catalytic Converters

1. Use the Statewide Centralized Secondhand Merchants Database (operated by Utah Dep't of Commerce, Div. of Consumer Protection, see Utah Code Ann. §13-32a-104 *et seq.*) with information collected and entered as described below:
  - a. For catalytic converters (cats), recyclers required to collect, input data within three days, and maintain a history of the following documents for 90 days
  - b. Copy of state ID from a person selling a cat, information required to be captured at the transaction point:
    - i. The individual's full name and date of birth as they appear on the individual's identification and the individual's residence address and telephone number;
  - c. An accurate description of each article of property, with available identifying marks, including:
    - a. Names, brand names, numbers, serial numbers, model numbers, color, manufacturers' names, and size;
    - b. Any other marks of identification of indicia of ownership on the property;
    - c. Any other unique identifying feature(s).
2. The unique number and type of identification presented to the scrap metal dealer or recycler;
3. Color digital photographs of an item(s) that bears an identifying mark, including:
  - a. A serial number, engraving, owner label, or similar identifying mark; and
  - b. An additional photograph that clearly depicts the identifying mark(s).
  - c. Copy of registration of vehicle or title;
  - d. Copy of photo of seller (*Note: Oregon requires recording vehicle information of seller*);
  - e. Upload of color digital photos of both cut marks and any identifying marks at the time entry into the database;
  - f. Require an imprint number and/or the VIN Number to be uploaded within 48 hours or transaction, VIN to be held in a state-wide database indefinitely.
4. Requirement of a 15-day hold on the cat with the timing to start when required information entered into the database. (*Note: Currently a catalytic converter can be melted down or scraped as soon as a transaction is complete. This does not allow for police to conduct an investigation. The 15-day hold is standard in the pawn world.*)
5. The buyer must pay in electronic funds transfer, stored value card or stored value device, or by mailing a nontransferable check, made payable to the individual. Except for

an electronic funds transfer, etc., which can be immediate, payment must be made not earlier than three business days after the date of the purchase. *(Note: Similar to the Oregon scheme, the seller cannot be paid in cash.)*

- a. Only scrap metal dealers, auto recyclers, and individual owners of vehicles are authorized to sell used catalytic converters and are included in the scope of the existing Statewide Centralized Secondhand Merchants Database. *(Note: we discussed an exception for an operator of a large fleet to be able to recycle their own cats (not many, maybe Hertz, truck rentals, counties, LDS church, 3<sup>rd</sup> party exceptions).*
6. Brief, easily accessible training available through the Div. of Consumer Protection - *(might mean a small fiscal note)* with test annually for scrap metal and auto recyclers *(can be done remotely)* Certificate of Completion to be displayed at business *(just as business license must be posted)*.

Other items for consideration:

- A person convicted of any narcotic/theft crime within five years prior is barred from selling or attempting to sell a cat (prior crime must be felony or a Class A misdemeanor)
- Limit number that can be sold to one per day by an individual
- Provide a penalty for incorrectly entered information Require the VIN Number to be uploaded within 48 hours or transaction, VIN to be held in a state-wide database indefinitely
- Recylers responsible to ensure checks have matching signature to the payee. Reduce ability to sign checks over to others.

Working Subcommittee Participants:

Mayor Ron Bigelow, West Valley City – Chair

Chief Ken Wallentine, West Jordan Police Department

Supervisory Special Agent Chris Walden, Office of the Attorney General

Deputy Chief Mike Fossmo, West Valley City Police Department

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