

STAND. COM. REP. NO. 112

Honolulu, Hawaii

FEB 10 2021

RE: S.B. No. 576
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 576 entitled:

"A BILL FOR AN ACT RELATING TO USED MOTOR VEHICLE PARTS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require licensed used motor vehicle part dealers to obtain a written statement by a seller of a catalytic converter that the seller has the lawful right to sell and dispose of the catalytic converter;
- (2) Require a seller of a catalytic converter to present a receipt or notarized declaration regarding the catalytic converter;
- (3) Prohibit a licensed used motor vehicle part dealer from purchasing a catalytic converter with no receipt or notarized declaration and to report the attempted sale to the police; and
- (4) Establish the offense of theft of catalytic converter as a class C felony.

Your Committee received testimony in support of this measure from the City and County of Honolulu Police Department, American



Property Casualty Insurance Association, National Insurance Crime Bureau, and Poi Dogs & Popoki. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that catalytic converter theft is on the rise, in part due to the increase in prices associated with precious metals that are used in the construction of catalytic converters, the relative ease and speed in which a thief can remove a catalytic converter, and the money a thief can reap in selling scrap metal. Currently, police departments are ill-equipped to conduct enforcement in this area due to the lack of strong legislation that addresses this issue. Installing a replacement catalytic converter can cost several hundreds to several thousands of dollars, and the hasty removal of a catalytic converter can cause additional repair costs. Therefore, this measure requires scrap dealers to follow certain requirements and establishes the theft of a catalytic converter as a class C felony to help deter the increasing proliferation of this crime.

Your Committee has amended this measure by:

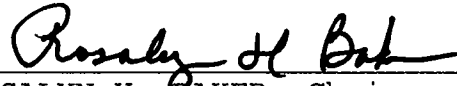
- (1) Clarifying that a person commits the offense of theft of catalytic converter if the person obtains a catalytic converter through any means described in section 708-830, Hawaii Revised Statutes, or the provisions being added to chapter 289, Hawaii Revised Statutes;
- (2) Removing language that would have established minimum penalties for theft of catalytic converters, and inserting language clarifying that theft of a catalytic converter is a class C felony;
- (3) Inserting a savings clause;
- (4) Inserting an effective date of July 1, 2021; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 576, as amended herein, and recommends that it



pass Second Reading in the form attached hereto as S.B. No. 576,
S.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Commerce and
Consumer Protection,



ROSALYN H. BAKER, Chair



