

STAND. COM. REP. NO. **937** -22

Honolulu, Hawaii  
**MAR 04** , 2022

RE: H.B. No. 1860  
H.D. 2

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred H.B. No. 1860, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CATALYTIC CONVERTERS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require licensed used motor vehicle parts dealers to keep records of purchases of catalytic converters, and obtain a written statement from the seller that the seller has the lawful right to sell and dispose of the catalytic converter;
- (2) Establish the felony offense of theft of catalytic converter;
- (3) Increase the penalty for engaging in the business of purchasing or selling used motor vehicle parts and accessories, or wrecking, salvaging, or dismantling motor vehicles for the purpose of reselling the parts or accessories thereof, without a license;
- (4) Require scrap dealers to keep records of purchases of palladium, platinum, and rhodium; and



- (5) Require all scrap dealers or recyclers to pay for palladium, platinum, and rhodium, and all used motor vehicle parts dealers to pay for catalytic converters, by check.

Your Committee received testimony in support of this measure from the Department of Transportation, Honolulu Police Department, Office of Prosecuting Attorney of the County of Hawai'i, Department of the Prosecuting Attorney of the County of Maui, Department of the Prosecuting Attorney of the City and County of Honolulu, Hawaii Insurers Council, Hawaii Transportation Association, Industrial Battery Solutions LLC, Schnitzer Steel Hawaii, Stolen Stuff Hawaii, and seven individuals. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that catalytic converters have extrinsic value outside of being just a motor vehicle part. The rise in prices associated with precious catalyst metals that are used in the construction of catalytic converters is causing catalytic converter theft to increase. The relative ease and speed in which a person can remove a catalytic converter, coupled with the financial reward for selling the scrap metal, is what drives thefts. Your Committee further finds that installing a replacement catalytic converter is expensive, and, because thieves hastily remove catalytic converters, other areas of the car may be damaged, which increases repair costs. Your Committee believes that this measure will help deter catalytic converter theft in Hawaii.

Your Committee has amended this measure by:

- (1) Requiring licensed used motor vehicle parts dealers to keep certain records when the licensee attempts to ship a catalytic converter out of state;
- (2) Inserting a severability clause; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1860, H.D. 1, as amended herein, and recommends that it



pass Third Reading in the form attached hereto as H.B. No. 1860,  
H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary &  
Hawaiian Affairs,

  
MARK M. NAKASHIMA, Chair



