

STAND. COM. REP. NO.

1134

Honolulu, Hawaii

MAR 25 2021

RE: H.B. No. 446
H.D. 3
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 H.B. No. 446, H.D. 3, entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLES,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish a new offense of theft of a catalytic converter;
- (2) Require vehicle registration records to be kept for businesses engaged in the selling or negotiating the purchase of used motor vehicle parts or accessories or licensed to wreck, salvage, or dismantle motor vehicles;
- (3) Require these businesses to refuse purchase of used motor vehicle parts or accessories and report the attempted sale to police if a seller does not provide certain information; and
- (4) Change the fine for any violations of the used motor vehicle parts and accessories laws.

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



Attorney, Hawaii Transportation Association, Roberts Hawaii, National Insurance Crime Bureau, American Property Casualty Insurance Association, Hawaii Insurers Council, AAA Hawaii, and one individual. Your Committee received comments on this measure from Schnitzer Steel Hawaii.

Your Committee finds that catalytic converters have precious metals inside of them that act as catalysts in removing toxic elements from a motor vehicle's exhaust stream. Due to the high value of these metals, theft of catalytic converters is on the rise, not just locally, but nationwide. Theft of a catalytic converter renders a vehicle inoperable and is extremely costly to replace, especially in the case of commercial motor vehicles, which can lead to delays of services due to low inventory of parts and accessories for these vehicles. This measure establishes a new offense for theft of a catalytic converter and also holds businesses that buy and sell used motor vehicle parts more accountable over suspicious transactions involving catalytic converters.

Your Committee has amended this measure by:

- (1) Clarifying a person commits the offense of theft of a catalytic converter if the person:
 - (A) Obtains a catalytic converter through any means described in section 708-830, Hawaii Revised Statutes; or
 - (B) Violates section 289-6, Hawaii Revised Statutes, in regard to a catalytic converter;
- (2) Clarifying that licensees dealing in used motor vehicle parts and accessories shall maintain certain records containing the name, address, vehicle registration, and a photocopy of the driver's license of all persons from whom parts, accessories, or vehicles are purchased or received;
- (3) Inserting an effective date of January 1, 2022; and
- (4) 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 H.B. No. 446, H.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 446, H.D. 3, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

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



ROSALYN H. BAKER, Chair



