

STAND. COM. REP. NO. 2951

Honolulu, Hawaii

MAR 04 2022

RE: S.B. No. 2279
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 2279, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require used motor vehicle parts dealers to obtain a written statement that the seller has the lawful right to sell and dispose of a catalytic converter;
- (2) Require certain sellers to provide copies of receipts or a notarized declaration that contains specific information regarding the purchase or acquisition of a catalytic converter;
- (3) Require dealers to keep records of purchases and sales of catalytic converters, report purchases to the police department database, and tag and hold the catalytic converter for sixty days before selling or otherwise disposing of the catalytic converter;
- (4) Require dealers to pay for catalytic converters by check;



- (5) Establish the offense of theft of catalytic converter and make it a class C felony;
- (6) Require scrap dealers to keep records of purchases and sales of palladium, platinum, and rhodium and require scrap dealers to pay for palladium, platinum, and rhodium by check;
- (7) Establish that a scrap dealer who violates certain requirements shall be guilty of a class C felony; and
- (8) Require each county police department to establish a database to collect and maintain information reported by used motor vehicle parts licensees regarding purchased catalytic converters and to initiate education programs to encourage residents to take personal measures to prevent catalytic converter thefts.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Department of Transportation, Department of the Prosecuting Attorney of the City and County of Honolulu, Hawaii Insurers Council, National Insurance Crime Bureau, Catholic Charities Hawai'i, AAA Hawaii, Schnitzer Steel Hawaii, and one individual.

Your Committee finds that in recent years, the State has seen an increase in the number of catalytic converters being stolen from vehicles and resold for profit. Catalytic converters contain precious metals such as platinum, palladium, and rhodium, making catalytic converters highly sought after by thieves due to their high resale value. A catalytic converter can be stolen in less than sixty seconds and cause extensive damage to a vehicle, leading to hundreds, if not thousands of dollars in repair costs. This measure will increase regulations on the sale of catalytic converters and make the theft of catalytic converter a class C felony, which will reduce the incentive for catalytic converter theft in the State.

Your Committee has amended this measure by:

- (1) Adopting the Department of Attorney General's proposed recommendation by specifying that a person commits the offense of theft of catalytic converter if that person



commits theft of a catalytic converter under section 708, Hawaii Revised Statutes; and

- (2) 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 Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2279, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2279, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary,



KARL RHOADS, Chair



