

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 249

STATE OF NEW JERSEY

DATED: MARCH 23, 2023

The Assembly Appropriations Committee reports favorably Senate Bill No. 249 (1R).

This bill modifies existing law on the regulation of scrap metal businesses to incorporate certain provisions concerning catalytic converters.

The bill amends the definition of “scrap metal” to include a used catalytic converter, in whole or in part, if the used catalytic converter is not attached to a motor vehicle.

Current law requires the owner of a scrap metal business to maintain a record of all receipts or purchases of scrap metal in excess of 100 pounds or \$50, whichever is less, for at least five years. The record is to include, among other information, the date of receipt or purchase of the scrap metal and the name and address of the person delivering or selling the scrap metal. The bill expands the record requirement concerning purchases of used catalytic converters that are not attached to a motor vehicle. Under the bill, if a scrap metal business purchases a used, detached catalytic converter from a seller who is not registered as a business that, in the regular course of business, collects, stores, or sells a used catalytic converter or any other motor vehicle part the scrap metal business is to include in the record the following information:

(1) the Vehicle Identification Number of the motor vehicle from which the catalytic converter was taken; and

(2) a copy of the certificate of title or registration, a receipt from a transaction of repair, or a bill of sale for the motor vehicle from which the catalytic converter was taken.

The bill also prohibits the owner of a scrap metal business from purchasing or attempting to purchase scrap metal unless the person delivering or selling scrap metal provides the information required.

Lastly, the bill limits the purchase of used, detached catalytic converters to scrap metal businesses unless the seller is a registered business that, in the regular course of business, collects, stores, or sells catalytic converters or any other motor vehicle parts.

As reported by the committee, Senate Bill No. 249 (1R) is identical to Assembly Bill No. 2210 (1R) which also reported by the committee on this date.

FISCAL IMPACT:

The Office of Legislative Services (OLS) finds that the State and local governments will incur an indeterminate amount of annual cost increases to prosecute, defend, and adjudicate individuals who violate the bill's provisions regarding the sale and purchase of catalytic convertors.

A presumption of non-incarceration applies to first-time offenders of crimes of the fourth degree and disorderly persons offenses, and so it is unlikely that there will be any cost increases for the Department of Corrections or county jails associated with this bill.

The State and local governments are also likely to realize and indeterminate increase in revenues from the collection of fines and court fees.