

JAN 22 2021

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# A BILL FOR AN ACT

RELATING TO USED MOTOR VEHICLE PARTS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that in recent years, the  
2 State has seen an increase in the number of catalytic converters  
3 being stolen from vehicles and resold for profit. Catalytic  
4 converters contain precious metals such as platinum, palladium,  
5 and rhodium, making catalytic converters highly sought after by  
6 thieves due to their high resale value. Catalytic converters  
7 remove toxic elements from the exhaust stream making them  
8 essential to vehicles and thus are federally mandated to be  
9 installed on a vehicle. A catalytic converter can be stolen in  
10 less than sixty seconds, causing damage to other areas of a  
11 vehicle, leading to hundreds to thousands of dollars in repair  
12 costs.

13           The purpose of this Act is to:

14           (1) Require licensed used motor vehicle part dealers who  
15           deal with catalytic converters to keep records of  
16           purchases and sales of catalytic converters, which may  
17           aid in the apprehension of those who engage in the



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1 theft and sale of catalytic converters by requiring  
2 the seller to file a written statement that the seller  
3 has the lawful right to sell and dispose of the  
4 catalytic converter; and  
5 (2) Establish the offense of theft of catalytic converter  
6 as a class C felony.

7 SECTION 2. Chapter 289, Hawaii Revised Statutes, is  
8 amended by adding a new section to be appropriately designated  
9 and to read as follows:

10 "§289- Statement required; catalytic converter. (a)  
11 Every licensee, when the licensee purchases a catalytic  
12 converter within the State, shall obtain a written statement  
13 signed by the seller certifying that the seller has the lawful  
14 right to sell and dispose of the catalytic converter. This  
15 statement shall also contain the:  
16 (1) Seller's name, business or residence address, and  
17 occupation;  
18 (2) Description, including serial numbers and other  
19 identifying marks, when practical, of every catalytic  
20 converter;  
21 (3) Amount received by the seller;



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1        (4) Date, time, and place of the sale; and

2        (5) License number of any vehicle used to deliver the  
3        property to the place of purchase.

4        (b) The seller shall provide a copy of a receipt that  
5        describes, with particularity:

6        (1) The exact item that is being offered for sale;

7        (2) Who issued the receipt;

8        (3) The date of sale of the item prior to the item's being  
9        offered to the licensee; and

10       (4) The price, if any, of the item when obtained by the  
11       seller.

12       (c) If a receipt is not available, the seller shall  
13       provide to the licensee a notarized declaration, describing with  
14       particularity:

15       (1) The exact item that is being offered for sale;

16       (2) Who sold or otherwise transferred the item to the  
17       seller;

18       (3) The date of sale of the item; and

19       (4) The price, if any, of the item when obtained by the  
20       seller.



1        (d) If the seller does not provide a copy of the receipt  
2 or the notarized declaration as required by subsections (b) and  
3 (c), the licensee shall not purchase the catalytic converter, in  
4 whole or in part, and shall report the attempted sale to the  
5 police.

6        (e) If the licensee purchases any catalytic converter, in  
7 whole or in part, the licensee shall take a photograph or  
8 photographs of the catalytic converter offered for sale.

9        (f) The licensee shall require the seller to verify the  
10 seller's identity by presenting a valid photo identification  
11 card or license issued by a federal or state government agency  
12 authorized to issue valid identification. The licensee shall:

- 13        (1) Take a photograph of the seller; or  
14        (2) Make a photocopy of the identification card or license  
15        of the seller.

16        (g) The licensee shall keep at the licensee's place of  
17 business the signed written statement, receipt or notarized  
18 declaration required by subsections (b) and (c), photographs  
19 required by subsection (e), and photocopy of the identification  
20 card or license or photograph of the seller required by  
21 subsection (f), if applicable, from the seller for a period of



1 two years after the date of purchase and the statement, receipt  
2 or notarized declaration required by subsections (b) and (c),  
3 photographs required by subsection (e), and photocopy or  
4 photograph required by subsection (f), if applicable, may be  
5 examined at any time by the director of finance, chief of  
6 police, attorney general, prosecuting attorney, or their  
7 designees."

8 SECTION 3. Section 289-1, Hawaii Revised Statutes, is  
9 amended by adding a new definition to be appropriately inserted  
10 and to read as follows:

11 "Catalytic converter" means a device that is incorporated  
12 in a motor vehicle's exhaust system and contains a catalyst for  
13 converting pollutant gas emissions into less harmful emissions."

14 SECTION 4. Chapter 708, Hawaii Revised Statutes, is  
15 amended by adding a new section to part IV to be appropriately  
16 designated and to read as follows:

17 "§708- Theft of catalytic converter. (1) A person  
18 commits the offense of theft of catalytic converter if the  
19 person:

20 (a) Obtains a catalytic converter through any means  
21 described in section 708-830; or



1        (b) Violates section 289- , in regard to a catalytic  
2                    converter.

3            (2) Any person who knowingly receives a stolen catalytic  
4 converter shall be guilty of a class C felony and shall be  
5 sentenced in accordance with chapter 706; provided that the  
6 court shall impose a minimum sentence of:

7            (a) For the first offense, a fine of \$5,000 and suspension  
8                    of a license issued pursuant to section 289-4 for a  
9                    period of six months; and

10          (b) For a subsequent offense committed within five years  
11                    of a prior offense, a fine of \$10,000 and revocation  
12                    of a license issued pursuant to section 289-4.

13          (3) For the purposes of this section, "catalytic  
14 converter" means a device that is incorporated in a motor  
15 vehicle's exhaust system and contains a catalyst for converting  
16 pollutant gas emissions into less harmful emissions."

17            SECTION 5. New statutory material is underscored.

18            SECTION 6. This Act shall take effect upon its approval.

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INTRODUCED BY: 



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**Report Title:**

Catalytic Converter; Theft; Penal Code; Class C Felony;  
Statement

**Description:**

Requires 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. Requires a seller of a catalytic converter to present a receipt or notarized declaration regarding the catalytic converter. Prohibits 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. Establishes the offense of theft of catalytic converter as a class C felony.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

