

# ACT No. 584

HOUSE BILL NO. 1073 (Substitute for House Bill No. 801 by Representative GOUDEAU)

BY REPRESENTATIVES GOUDEAU, BACALA, BOURRIAQUE, BUTLER, COUSSAN, DESHOTEL, DEVILLIER, ECHOLS, EDMONDS, FIRMENT, FISHER, GAROFALO, GREEN, HARRIS, HORTON, HUVAL, MIKE JOHNSON, LACOMBE, MCKNIGHT, MCMAHEN, NEWELL, ORGERON, PIERRE, ROMERO, STAGNI, STEFANSKI, WHITE, AND ZERINGUE

1 AN ACT

2 To enact Part II-B of Chapter 21 of Title 37 of the Louisiana Revised Statutes of 1950, to  
3 be comprised of R.S. 37:1891 through 1896, relative to scrap metal recyclers; to  
4 provide for the sale and purchase of catalytic converters; to provide definitions; to  
5 provide for fees; to provide for licensing requirements; to provide for record  
6 keeping; to provide for exceptions; to provide for fines and penalties; and to provide  
7 for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. Part II-B of Chapter 21 of Title 37 of the Louisiana Revised Statutes of  
10 1950, comprised of R.S. 37:1891 through 1896, is hereby enacted to read as follows:

11 PART II-B. CATALYTIC CONVERTER PURCHASERS

12 §1891. Short title

13 This Part shall be known and may be cited as the "Louisiana Catalytic  
14 Converter Sales Law".

15 §1892. Definitions

16 For purposes of this Part, the following words have the following meanings:

17 (1) "Catalytic converter" means an exhaust emission control device that  
18 reduces toxic gas and pollutants from internal combustion engines.

19 (2) "Catalytic converter purchaser" is a person licensed by the commission  
20 to buy detached catalytic converters pursuant to the provisions of this Part.

21 (3) "Commission" means the Louisiana Used Motor Vehicle Commission.

1                   (4) "Person" includes any corporation, limited liability company, partnership,  
2                   or two or more persons having a joint or common interest.

3                   §1893. License required; application

4                   A. No person shall do business as a catalytic converter purchaser in this state  
5                   without having first obtained a business license from the commission. Any person  
6                   desiring a license as a catalytic converter purchaser shall make an application in  
7                   writing, specifying the address of the building where the business is to be carried on.  
8                   A license issued pursuant to this Chapter shall be valid for two years.

9                   B.(1) It shall be unlawful for any person, firm, association, corporation,  
10                  limited liability company, or trust to engage in the business of purchasing used  
11                  catalytic converters in this state without first obtaining a license as required by this  
12                  Section.

13                  (2) Any person, firm, association, corporation, limited liability company, or  
14                  trust that engages in the business of purchasing used catalytic converters pursuant  
15                  to this Section shall obtain and hold a current license to engage in the business of  
16                  purchasing used catalytic converters.

17                  C.(1) The commission shall create a form to be used as an application for  
18                  licensure as a purchaser of used catalytic converters and shall provide the form to an  
19                  applicant.

20                  (2) The commission shall require all of the following information in the  
21                  application:

22                   (a) The name of the applicant.

23                   (b) The street address of applicant's principal place of business and each  
24                   additional place of business.

25                   (c) The type of business organization of applicant.

26                   (d) Whether the applicant has an established place of business and is  
27                   engaged in the pursuit, avocation, or business for which each license is applied.

28                   (e) Whether the applicant is able to properly conduct the business for which  
29                   each license is applied.

1                   (f) Any other pertinent information consistent with the safeguarding of the  
 2                   public interest and the public welfare.

3                   (g) Any other information the commission deems necessary to enable it to  
 4                   fully determine the qualifications and eligibility of the applicants to receive a license.

5                   (3) The applicant shall sign the application prior to submission to the  
 6                   commission.

7                   (4)(a) Upon submission of an application, an applicant shall pay all  
 8                   applicable fees in accordance with this Section. If an application is denied and the  
 9                   license is not issued, the commission shall return all licensing fees to the applicant.

10                  (b) Any licensee that submits a renewal application after the expiration date  
 11                  of an existing license shall be subject to a late penalty of one hundred dollars in  
 12                  addition to any penalty, fine, or cost assessed for operating without a license which  
 13                  shall be paid to the commission.

14                  (c) Any licensee having a previous license shall be presumed to be a renewal  
 15                  applicant.

16                  (d) Any licensee changing its name, address, or ownership shall notify the  
 17                  commission within ten days of the change or be in violation of this Section.

18                  (e) Any licensee ceasing to maintain its business shall surrender its license  
 19                  to the commission within ten days and any failure to do so shall constitute a  
 20                  violation.

21                  D. The commission shall specify the location of the place of business on each  
 22                  license issued. If the business location is changed, the commission shall be notified  
 23                  immediately of the change and the commission may endorse the change of location  
 24                  on the license without charge. The license shall be posted in a conspicuous place in  
 25                  each place of business.

26                  E. The commission shall promulgate rules to implement the provisions of this  
 27                  Section.

28                  §1894. Exceptions

29                  The provisions of this Part shall not apply to either of the following:

30                  (1) A dealer licensed by the Louisiana Motor Vehicle Commission.

1                   (2) A person possessing not more than one detached catalytic converter if  
 2                   there is documentation to indicate how the detached catalytic converter was acquired.

3                   §1895. Requirements of purchaser and seller; record keeping

4                   A. Except as otherwise provided for in this Section, it is unlawful for any  
 5                   person to possess, obtain or otherwise acquire, transport, or sell more than one used,  
 6                   detached catalytic converter or any nonferrous part of a catalytic converter without  
 7                   providing all of the following documentation to law enforcement upon request:

8                   (1) The name and address of the residence or place of business of the person  
 9                   required to either keep the register and file reports or electronically maintain the data  
 10                   and generate the requested reports.

11                   (2) The date and place of each purchase.

12                   (3) The name and address of the person or persons from whom the material  
 13                   was purchased, including the distinctive number of each person's Louisiana driver's  
 14                   license, driver's license from another state, passport, military identification, or  
 15                   identification issued by a governmental agency or the United States Postal Service.  
 16                   If the person cannot produce any form of identification as provided for in this  
 17                   Paragraph at the time of purchase, the purchaser shall not complete the transaction.

18                   (4) The motor vehicle license number of the vehicle or conveyance on which  
 19                   such material was delivered.

20                   (5) A full description and photograph of all such material purchased.

21                   (6) A picture of the person from whom the material was purchased.

22                   B. All information obtained pursuant to Subsection A of this Section shall  
 23                   be kept for a period of three years and shall be made available for inspection by any  
 24                   peace officer, law enforcement official, or commission official at any time during the  
 25                   three-year period.

26                   C. Any person who purchases a used detached catalytic converter shall obtain  
 27                   a signed statement from the seller prior to the purchase attesting that the catalytic  
 28                   converter has been paid for or is owned by the seller. A failure of the purchaser to  
 29                   obtain a statement from the seller shall be prima facie evidence of the fraudulent  
 30                   intent and guilty knowledge on the part of the purchaser within the meaning of this

1 Part and shall be sufficient to warrant a conviction. A purchaser who obtains the  
2 required statement from the seller shall be exonerated from any fraudulent, willful,  
3 or criminal knowledge within the meaning of this Chapter.

4 D. It is unlawful to provide any false, fraudulent, altered or counterfeit  
5 information or documentation as required by this Section.

6 §1896. Failure to comply; penalty

7 A. Anyone acting as an unlicensed catalytic converter purchaser in violation  
8 of the provisions of this Part shall be fined not less than five hundred dollars and be  
9 imprisoned not less than thirty days nor more than sixty days per violation as  
10 provided for in Subsection D of this Section.

11 B. For a second offense, the violator shall be fined not more than two  
12 thousand dollars and be imprisoned with or without hard labor for not more than two  
13 years per violation as provided for in Subsection D of this Section.

14 C. For a third or subsequent offense, the violator shall be fined not more than  
15 ten thousand dollars and be imprisoned with or without hard labor for not more than  
16 five years per violation as provided for in Subsection D of this Section.

17 D. Each unlawfully obtained, possessed, or transported used, detached  
18 catalytic converter is a separate violation that subjects the individual or entity to a  
19 separate charge. Upon conviction, the court may order the individual or entity to pay  
20 restitution for the value of the repair and replacement of the catalytic converter or be  
21 held liable as otherwise provided by law.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_