

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 249

STATE OF NEW JERSEY

DATED: JUNE 6, 2022

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

The 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.

The bill requires the owner of a scrap metal business to maintain, for at least five years, a record of all receipts or purchases of scrap metal in excess of 100 pounds or \$50, whichever is less, including, among other items, 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 also expands the information the scrap metal business is to retain if a used catalytic converter not attached to a motor vehicle is purchased by the business from a seller that is not a registered business that, in the regular course of business, collects, stores, or sells a used catalytic converter or any other motor vehicle part. That information includes:

(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 provides that the owner of a scrap metal business is required to purchase or attempt to purchase only from a person delivering or selling scrap metal who provides the information required.

Lastly, the bill provides that offering or attempting to offer for sale a used catalytic converter, in whole or in part, that is not attached to a motor vehicle is to be limited to a scrap metal business, unless the seller of the used catalytic converter is a registered business that, in the regular course of business, collects, stores, or sells a catalytic converter or any other motor vehicle part.

FISCAL IMPACT:

The Office of Legislative Services 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 an indeterminate increase in revenues from the collection of fines and court fees.