

**Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO**

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 22-0124.01 Richard Sweetman x4333

SENATE BILL 22-009

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Senate Committees

Transportation & Energy
Appropriations

House Committees

Energy & Environment

A BILL FOR AN ACT

101 **CONCERNING CATALYTIC CONVERTERS, AND, IN CONNECTION**
102 **THEREWITH, ENACTING MEASURES TO ADDRESS THE THEFT**
103 **OF CATALYTIC CONVERTERS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Section 1 of the bill requires the air quality control commission in the department of public health and environment to promulgate rules establishing:

- Evaluation procedures for aftermarket catalytic converters; and

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
3rd Reading Unamended
May 4, 2022

HOUSE
Amended 2nd Reading
April 11, 2022

SENATE
3rd Reading Unamended
March 9, 2022

SENATE
Amended 2nd Reading
March 8, 2022

- Procedures for the division of administration in the department of public health and environment (division) to use to certify aftermarket catalytic converters for installation and sale.

Section 2 states that on and after October 31, 2022, it is unlawful to install, sell, offer for sale, or advertise any used, recycled, or salvaged catalytic converter unless the catalytic converter is an aftermarket catalytic converter that has been certified for installation and sale by the division.

For the purposes of regulating purchases of commodity metals and the commodities metals theft task force, **section 3** amends the definition of "commodity metal" to include rhodium, palladium, or platinum-clad components of a catalytic converter. For the purposes of the existing criminal statute prohibiting the operation of motor vehicle chop shops, **section 4** adds catalytic converters to the definition of "major component motor vehicle part". **Section 5** requires each auto parts recycler to consult the national motor vehicle title information system for each catalytic converter that the auto parts recycler acquires from the recycling of a motor vehicle in order to determine whether the catalytic converter is stolen.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 18-13-111, **amend** (1)(a), (1)(b) introductory portion, (1)(b)(II), (1)(b)(IV), (1)(b)(VI), (1)(c), (1)(d), (1.3)(a) introductory portion, (1.3)(a)(I), (1.3)(a)(III), (1.3)(b), (1.5), (2), (4), (8) introductory portion, (8)(b.5), (8)(d), (9)(c), (10)(a)(I), (10)(a)(III), and (10)(b); amend as it exists until March 1, 2022, (5); and add (8)(f) as follows:

18-13-111. Purchases of commodity metals or detached catalytic converters - violations - commodity metals theft task force - creation - composition - reports - legislative declaration - definitions - repeal. (1) (a) Except as otherwise provided in subsection (3) of this section, every owner, keeper, or proprietor of a junk shop, junk store, salvage yard, or junk cart or other vehicle and every collector of or dealer in junk, salvage, or other secondhand property shall keep a book or

1 register detailing all transactions involving commodity metals OR
2 DETACHED CATALYTIC CONVERTERS.

3 (b) The owner, keeper, proprietor, collector, or dealer shall record
4 the identification of a seller of commodity metals OR DETACHED
5 CATALYTIC CONVERTERS in the book or register and the method by which
6 the seller verified his or her THE SELLER'S identity. The seller shall verify
7 his or her THE SELLER'S identity by one of the following:

8 (II) An A VALID identification card issued in accordance with
9 section 42-2-302; C.R.S.;

10 (IV) A VALID military identification card;

11 (VI) An A VALID alien registration card.

12 (c) The owner, keeper, proprietor, collector, or dealer shall require
13 the seller of a commodity metal OR DETACHED CATALYTIC CONVERTER to
14 provide for the book or register:

15 (I) A signed affidavit, sworn and affirmed under penalty of law,
16 that the seller is the owner of the commodity metal OR DETACHED
17 CATALYTIC CONVERTER or is otherwise entitled to sell the commodity
18 metal OR DETACHED CATALYTIC CONVERTER. The owner, keeper,
19 proprietor, collector, or dealer shall provide the affidavit form to the
20 seller.

21 (II) The license plate number and description of the vehicle or
22 conveyance, if any, in which the commodity metal OR DETACHED
23 CATALYTIC CONVERTER was delivered.

24 (d) The owner, keeper, proprietor, collector, or dealer shall
25 include the following in the book or register:

26 (I) The date and place of each purchase of the commodity metal
27 OR DETACHED CATALYTIC CONVERTER; and

1 (II) The description and quantity of the commodity metal OR
2 DETACHED CATALYTIC CONVERTER purchased.

3 (1.3) (a) A purchaser of commodity metals OR DETACHED
4 CATALYTIC CONVERTERS shall:

5 (I) Sign up with the scrap theft alert system maintained by the
6 Institute of Scrap Recycling Industries, Incorporated, or its successor
7 organization, to receive alerts regarding thefts of commodity metals OR
8 DETACHED CATALYTIC CONVERTERS in the purchaser's geographic area;

9 (III) Use the alerts to identify potentially stolen commodity metals
10 OR DETACHED CATALYTIC CONVERTERS, including training the purchaser's
11 employees to use the alerts during the purchaser's daily operations.

12 (b) A purchaser of commodity metals OR DETACHED CATALYTIC
13 CONVERTERS shall maintain for ninety days copies of any theft alerts
14 received and downloaded pursuant to ~~paragraph (a) of this subsection~~
15 ~~(1.3)~~ SUBSECTION (1.3)(a) OF THIS SECTION. A purchaser shall also
16 maintain documentation that the purchaser educates employees about, and
17 provides to employees, scrap theft alerts.

18 (1.5) (a) An owner, keeper, proprietor, collector, or dealer is
19 permitted to pay a seller in cash for any commodity ~~metals~~ METAL OR
20 DETACHED CATALYTIC CONVERTER transaction of three hundred dollars
21 or less.

22 (b) If the transaction costs more than three hundred dollars, the
23 owner, keeper, proprietor, collector, or dealer shall pay the seller of a
24 commodity metal OR DETACHED CATALYTIC CONVERTER by check unless
25 the seller is paid by means of any process in which a picture of the seller
26 is taken when the money is paid.

27 (2) Except as otherwise provided in subsection (3) of this section,

1 the owner, keeper, proprietor, collector, or dealer of any commodity metal
2 OR DETACHED CATALYTIC CONVERTER shall make a digital photographic
3 record, video record, or other record that identifies the seller and the
4 commodity metal OR DETACHED CATALYTIC CONVERTER that the seller is
5 selling. The digital photographic record, video record, or other record
6 format shall be retained for one hundred eighty days, and the owner shall
7 permit a law enforcement officer to make inspections of the record.

8 (4) The information entered in the book or register, as provided
9 in subsection (1) of this section, need not be kept for a period longer than
10 three years after the date of purchase of the commodity metal OR
11 DETACHED CATALYTIC CONVERTER.

12 (5) A person who violates subsection (1) of this section by failing
13 to keep a book or register, any person who knowingly gives false
14 information with respect to the information required to be maintained in
15 the book or register provided for in subsection (1) of this section, and any
16 person who violates subsection (1.3), (1.5), or (2) of this section commits:

17 (a) A class 2 misdemeanor if the value of the commodity metal OR
18 DETACHED CATALYTIC CONVERTER involved is less than five hundred
19 dollars; or

20 (b) A class 1 misdemeanor if the value of the commodity metal OR
21 DETACHED CATALYTIC CONVERTER involved is five hundred dollars or
22 more.

23 (8) For the purposes of AS USED IN this section, unless the context
24 otherwise requires:

25 (f) "DETACHED CATALYTIC CONVERTER" MEANS A
26 POST-COMBUSTION DEVICE THAT:

27 (I) OXIDIZES HYDROCARBONS AND CARBON MONOXIDE GASES OR

1 REDUCES OXIDES OF NITROGEN;

2 (II) IS DESIGNED OR INTENDED FOR USE AS PART OF AN EMISSION
3 CONTROL SYSTEM; AND

4 (III) WAS PREVIOUSLY INSTALLED ON A MOTOR VEHICLE AND
5 SUBSEQUENTLY REMOVED.

6 (b.5) "Commodity metal" means copper; a copper alloy, including
7 SUCH AS bronze or brass; or aluminum. "Commodity metal" does not
8 include precious metals, such as gold, silver, or platinum.

9 (d) "Dealer" means any person, business, or entity that buys, sells,
10 or distributes, for the purpose of recycling, PROCESSING, OR SMELTING,
11 any commodity metal OR DETACHED CATALYTIC CONVERTER on a
12 wholesale basis. FOR THE PURPOSES OF THIS SUBSECTION (8)(d), A
13 TRANSACTION BETWEEN A DEALER AND A MOTOR VEHICLE DEALER IS NOT
14 A WHOLESALE SALE.

15 (9) (c) The task force shall hold its first meeting no later than July
16 1, 2011. At the first meeting, the task force shall discuss the best way to
17 distribute and use information related to theft of scrap metals, including
18 whether and how to promote use by law enforcement agencies of the
19 scrap theft alert system maintained by the institute of scrap recycling
20 industries, incorporated, or its successor organization. Thereafter, the task
21 force shall meet on a regular basis, convening at least every October, to
22 discuss issues related to theft of commodity metals OR DETACHED
23 CATALYTIC CONVERTERS, including sharing relevant information on theft
24 of scrap metal, identifying ways in which Colorado's laws regulating
25 commodity metals METAL AND DETACHED CATALYTIC CONVERTER
26 purchases can be improved to reduce theft, and reviewing any
27 performance problems or communication issues. The task force is

1 specifically directed to consider:

2 (I) Possible policies or practices to aid in tracking or apprehending
3 stolen commodity metals OR DETACHED CATALYTIC CONVERTERS prior to
4 the point of sale in order to assist law enforcement personnel in theft
5 prevention and recovery of stolen materials;

6 (II) Recommendations regarding when and how a commodity
7 metals METAL OR DETACHED CATALYTIC CONVERTER purchaser should be
8 required to apprise local law enforcement authorities if a purchased
9 commodity metal OR DETACHED CATALYTIC CONVERTER is a potential
10 match of a commodity metal OR DETACHED CATALYTIC CONVERTER
11 reported stolen in the scrap theft alert system; and

12 (III) The creation and attributes of a civil penalty process for
13 egregious and repeat violators of the record-keeping requirements of this
14 section.

15 (10) (a) The general assembly hereby finds, determines, and
16 declares that:

17 (I) Thefts of commodity metals AND DETACHED CATALYTIC
18 CONVERTERS jeopardize the safety and welfare of the public, financially
19 burden taxpayers and industry, and exhaust law enforcement resources;

20 (III) The regulation of commodity metal OR DETACHED CATALYTIC
21 CONVERTER purchases is a matter of statewide concern.

22 (b) In order to continue the ability of the state to identify causes
23 of commodity metal AND DETACHED CATALYTIC CONVERTER theft and
24 provide realistic solutions to the theft problem, the general assembly
25 encourages law enforcement authorities in the state to join the scrap theft
26 alert system maintained by the Institute of Scrap Recycling Industries,
27 Incorporated, or its successor organization, and to report thefts of

1 commodity metals AND DETACHED CATALYTIC CONVERTERS occurring
2 within their jurisdictions to this system. The general assembly also
3 encourages commercial stakeholders affected by commodity metals
4 METAL AND DETACHED CATALYTIC CONVERTER theft to sign up for and
5 participate in the scrap theft alert system. _____

6 (11) THIS SECTION DOES NOT APPLY TO DETACHED CATALYTIC
7 CONVERTERS ACQUIRED AS PART OF A WHOLE MOTOR VEHICLE
8 TRANSACTION IN WHICH AN AUTO PARTS RECYCLER, AS DEFINED IN
9 SECTION 42-4-2201 (1), REPORTS THE MOTOR VEHICLE ACQUISITION INTO
10 THE NATIONAL MOTOR VEHICLE TITLE INFORMATION SYSTEM, AS
11 DESCRIBED IN 49 U.S.C. SEC. 30504.

12 _____

13 **SECTION 2.** In Colorado Revised Statutes, 18-4-420, **amend**
14 (5)(b)(XV) and (5)(b)(XVI); and **add** (5)(b)(XVII) as follows:

15 **18-4-420. Chop shop activity - ownership or operation of a**
16 **chop shop - altered or removed identification number - penalties -**
17 **definitions.** (5) As used in this section, unless the context otherwise
18 requires:

19 (b) "Major component motor vehicle part" means any of the
20 following parts of a motor vehicle:

21 (XV) A wheel or tire; or

22 (XVI) ~~Any other part of a motor vehicle that is comparable in~~
23 ~~design or function to any of the parts that have been listed, or that have~~
24 ~~been labeled with a unique traceable identification number, by the~~
25 ~~manufacturer of the motor vehicle or part.~~ A CATALYTIC CONVERTER; OR

26 (XVII) ANY OTHER PART OF A MOTOR VEHICLE THAT IS
27 COMPARABLE IN DESIGN OR FUNCTION TO ANY OF THE PARTS THAT HAVE

1 BEEN LISTED, OR THAT HAVE BEEN LABELED WITH A UNIQUE TRACEABLE
2 IDENTIFICATION NUMBER.

3 **SECTION 3.** In Colorado Revised Statutes, **add 42-4-318** as
4 follows:

5 **42-4-318. Exception to enforcement in cases of catalytic
6 converter theft - unavailability of replacement catalytic converter -**

7 **repeal.** (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, AN
8 INDIVIDUAL MAY TEMPORARILY OPERATE A MOTOR VEHICLE WITHOUT A
9 CATALYTIC CONVERTER IF:

10 (a) THE CATALYTIC CONVERTER HAS BEEN STOLEN FROM THE
11 MOTOR VEHICLE;

12 (b) THE OWNER OR OPERATOR OF THE MOTOR VEHICLE HAS
13 REPORTED THE THEFT TO A LAW ENFORCEMENT AGENCY;

14 (c) THE OWNER OR OPERATOR OF THE MOTOR VEHICLE HAS MADE
15 A REASONABLE EFFORT TO OBTAIN A REPLACEMENT CATALYTIC
16 CONVERTER FOR THE VEHICLE, INCLUDING ORDERING A REPLACEMENT
17 CATALYTIC CONVERTER; AND

18 (d) WHEN THE MOTOR VEHICLE IS IN OPERATION, THE OPERATOR
19 OF THE MOTOR VEHICLE POSSESSES RECEIPTS OR OTHER PAPERWORK
20 DOCUMENTING THE ORDER FOR A REPLACEMENT CATALYTIC CONVERTER.

21 (2) THE EXCEPTION DESCRIBED IN SUBSECTION (1) OF THIS SECTION
22 APPLIES SO LONG AS A CATALYTIC CONVERTER REMAINS UNAVAILABLE
23 TO THE OWNER OR OPERATOR OF A MOTOR VEHICLE.

24 (3) THE SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2027.
25 BEFORE THE REPEAL, THE EXCEPTION DESCRIBED IN SUBSECTION (1) OF
26 THIS SECTION IS SUBJECT TO REVIEW BY THE DEPARTMENT OF
27 REGULATORY AGENCIES PURSUANT TO SECTION 24-34-104.

1 **SECTION 4.** In Colorado Revised Statutes, 24-34-104, add
2 (28)(a)(VII) as follows:

3 **24-34-104. General assembly review of regulatory agencies**
4 **and functions for repeal, continuation, or reestablishment - legislative**
5 **declaration - repeal.** (28) (a) The following agencies, functions, or both,
6 are scheduled for repeal on September 1, 2027:

7 (VII) THE EXCEPTION DESCRIBED IN SECTION 42-4-318
8 CONCERNING THE PERMISSIBLE USE OF A MOTOR VEHICLE FROM WHICH A
9 CATALYTIC CONVERTER HAS BEEN STOLEN.

10 **SECTION 5.** In Colorado Revised Statutes, add 42-4-318 as
11 follows:

12 **42-4-318. Catalytic converter theft - use of after-market**
13 **catalytic converters permitted.** (1) NOTWITHSTANDING ANY OTHER
14 PROVISION OF LAW, AN INDIVIDUAL MAY OPERATE A MOTOR VEHICLE WITH
15 AN AFTER-MARKET CATALYTIC CONVERTER RATHER THAN AN ORIGINAL
16 EQUIPMENT MANUFACTURER'S CATALYTIC CONVERTER IF:

17 (a) A CATALYTIC CONVERTER WAS STOLEN FROM THE MOTOR
18 VEHICLE;

19 (b) THE OWNER OR OPERATOR OF THE VEHICLE HAS REPORTED THE
20 THEFT OF THE CATALYTIC CONVERTER TO A LAW ENFORCEMENT AGENCY;
21 AND

22 (c) THE VEHICLE EQUIPPED WITH THE AFTER-MARKET CATALYTIC
23 CONVERTER PASSES ANY EMISSIONS TEST REQUIRED PURSUANT TO THIS
24 PART 3.

25 **SECTION 6. Safety clause.** The general assembly hereby finds,
26 determines, and declares that this act is necessary for the immediate
27 preservation of the public peace, health, or safety.