

2021 SENATE JUDICIARY

SB 2242

2021 SENATE STANDING COMMITTEE MINUTES

Judiciary Committee
Peace Garden Room, State Capitol

SB 2242
1/25/2021

A BILL for an Act to create and enact a new section to chapter 51-07 of the North Dakota Century Code, relating to the sale or purchase of a catalytic converter; and to provide a penalty

Chairwoman Larson calls the meeting to order. Present are Chair Larson, Vice Chair Dwyer, Senators Bakke, Fors, Heitkamp, Luick, and Myrdal. [1:59]

Discussion Topics:

- Catalytic Converters
- Penalties for theft

Senator Jordan Kannianen [2:00] introduced the bill and testified in favor #2979.

Russ Hanson [2:07], Executive Vice President of the Association of General Contractors, offers oral testimony in favor.

Molly Barnes [2:08], Vice President and Equipment Manager for the Northern Improvement Company, testifies in favor and submits testimony #3095.

Mark Roberts [2:24], Former Service Manager for the Northern Improvement Company, offers oral testimony in favor.

Additional written testimony:

Dustin Gawrylow, ND Watchdog Network, submits testimony #2592 in opposition.
Tim Lynch, National Insurance Crime Bureau submits testimony #2792 in favor.

Chairwoman Larson closes the public hearing. [2:30]

Jamal Omar, Committee Clerk

Testimony on SB 2242

Senator Jordan Kannianen, District 4

Madam Chair Larson and committee members,

This bill seeks to discourage the theft of catalytic converters. The value of the precious metals in these converters makes them a ripe target for theft, with perpetrators sawing them off vehicles in the dark of night or stealing vehicles for the sole purpose of swiping the converter. Various verbal anecdotes have led me to believe that this is a large enough problem to require action.

SB 2242 would establish that an individual cannot sell a catalytic converter to a scrap dealer without either proof of ownership or an affidavit from law enforcement.

I recognize the language in this bill would require a garbage collector to get an affidavit anytime they found one and wanted to sell it for some extra money, for example. If there is a way to avoid this while still accomplishing the purpose of the bill, I'm in favor it. If not, I still think this problem warrants a solution.

Please give SB 2242 a Do Pass recommendation.

Thank you.

Testimony SB 2242
Senate Judiciary Committee
January 25, 2021

#3095

Madam Chair and members of the Senate Judiciary Committee, my name is Molly Barnes and I am Vice President & Equipment Manager at Northern Improvement Company. Northern Improvement is a highway, heavy & municipal construction company with North Dakota offices in Fargo, Bismarck, and Dickinson. We have been in business since 1935 and are one of the founding members of the AGC of ND when it formed in 1951.

I appreciate the opportunity to testify today and we support SB 2242. We appreciate the Senators introducing this and the Senate considering implementing it.

This type of theft has been an increasing issue with our business. On several occasions at our various locations across the state, we have been the victim of theft. Our Fargo location has a fenced in yard, yet in the last two years, we have had 5 catalytic converters stolen off pickups. Our Bismarck location has had 11 catalytic converters stolen in the last two years. Catalytic converters range from \$300 to \$1600 installed. If we average that, we get \$950. $\$950 * 16$ catalytic converter is over \$15,000. These are just the cost to install the converter. This does not include the labor cost to shuffle the vehicles to and from the dealership. Nor does it account for downtime waiting for the parts and being without the vehicle.

I understand the scrap price is roughly half the price of new. Why is the price so high you may ask? Platinum, Palladium and Rhodium. Platinum value is \$1113.05 per oz. Palladium is \$2387.50 per oz and Rhodium is \$19,260 per oz. Compare these metals to copper at \$0.23 per oz. For the thieves that stole from us, that is a \$7500 payday. There is a YouTube video that shows two thieves jacking up a car and stealing the converter in 60 seconds! This problem will not be fixed unless there are checks and balances within the used parts industry.

Thanks for the opportunity to comment on SB 2242. We offer our support to this legislation and request the Senate Judiciary committee issue a Do Pass Recommendation. If you have any questions, I would be pleased to attempt to address them.

SB 2242 – Testimony by Dustin Gawrylow (Lobbyist #266) North Dakota Watchdog Network

This bill is well intended as far as trying to eliminate a market for stolen catalytic converters.

However, in its current form, it does not leave room for the D.I.Y. (Do It Yourself) situation.

As the “Right to Repair” movement is growing nationwide, and as there are many people who do their own repair work legitimately, creating this law without protections for them would be unfair.

A possible fix might be to require a receipt for a new catalytic converter be attached to any used units.

To require law enforcement verification is also troublesome as it will create work loads for enforcement that they should not have to take on.

#2792



January 25, 2021

Support Statement – Senate Bill 2242

North Dakota State Senate – Judiciary Committee

Dear Committee Members:

The National Insurance Crime Bureau (NICB) is a national, not-for-profit organization supported by approximately 1,200 property and casualty insurance companies including many who write business in North Dakota. Working with our member companies and law enforcement, we investigate organized criminal conspiracies dealing with insurance crime and vehicle theft.

We are writing to express support for Senate Bill 2232, and specifically the section penalizing those who violate the law and illegally obtain a catalytic converter.

Catalytic converter theft is on the rise, in part due to the rise in prices associated with precious metals, including rhodium, platinum, and palladium which are used in the construction of catalytic converters. The relative ease and speed in which a thief can remove a converter, coupled with the financial reward a thief can reap selling the scrap metal is what drives thefts.

We urge you to support Senate Bill 2322 and encourage its swift passage in the Senate to help crack down on those who illegally obtain catalytic converters.

If you have any questions or need additional information, please contact me at tlynch@nicb.org.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tim Lynch", is positioned below the word "Sincerely,".

Tim Lynch – Senior Director, Government Affairs – National Insurance Crime Bureau

2021 SENATE STANDING COMMITTEE MINUTES

Judiciary Committee
Peace Garden Room, State Capitol

SB 2242
1/27/2021

A BILL for an Act to create and enact a new section to chapter 51-07 of the North Dakota Century Code, relating to the sale or purchase of a catalytic converter; and to provide a penalty.

10:56 AM Chairwoman Larson Called committee work to order
Senators Heitkamp, Fors, Myrdal, Luick, Dwyer, Bakke and Larson were present.

Discussion Topics:

- Certificate of title
- Penalties
- Theft of catalytic converters

Senator Dwyer moved to amend the bill by removing line 19 to 21 and renumber accordingly.

Senator Heitkamp seconded the motion

Roll Call Vote

Motion passed 7-0-0

Senators	Vote
Senator Diane Larson	Y
Senator Michael Dwyer	Y
Senator JoNell A. Bakke	Y
Senator Robert O. Fors	Y
Senator Jason G. Heitkamp	Y
Senator Larry Luick	Y
Senator Janne Myrdal	Y

Senator Dwyer [11:08] moved to amend the bill on line 17 after “repair” add “or a bill of sale” and take out the word “or” on line 18.

Senator Myrdal seconded the motion

Roll Call Vote

Motion passed 7-0-0.

Senators	Vote
Senator Diane Larson	Y
Senator Michael Dwyer	Y
Senator JoNell A. Bakke	Y
Senator Robert O. Fors	Y
Senator Jason G. Heitkamp	Y
Senator Larry Luick	Y
Senator Janne Myrdal	Y

Senator Dwyer moved for a DO PASS as Amended
Senator Bakke seconded the motion

Roll Call Vote

Motion passed 7-0-0

Senator Dwyer will carry the bill.

Senators	Vote
Senator Diane Larson	Y
Senator Michael Dwyer	Y
Senator JoNell A. Bakke	Y
Senator Robert O. Fors	Y
Senator Jason G. Heitkamp	Y
Senator Larry Luick	Y
Senator Janne Myrdal	Y

Chairwoman Larson adjourns the meeting [11:11]

Jamal Omar, Committee Clerk

January 27, 2021

C3
1/27
1 of 1

PROPOSED AMENDMENTS TO SENATE BILL NO. 2242

Page 1, line 15, remove the underscored colon

Page 1, line 16, replace "a. The" with "the"

Page 1, line 16, remove "or"

Page 1, line 17, after the underscored comma insert "or a bill of sale"

Page 1, line 18, remove "or"

Page 1, remove lines 19 and 20

Page 1, line 21, remove "the person attempting to sell the catalytic converter"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2242: Judiciary Committee (Sen. Larson, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2242 was placed on the Sixth order on the calendar.

Page 1, line 15, remove "provides"

Page 1, line 16, replace "The" with "Provides the"

Page 1, line 16, remove "or"

Page 1, line 17, after the underscored comma insert "or a bill of sale"

Page 1, line 19, remove "An affidavit executed by a law enforcement officer attesting to the officer's"

Page 1, replace lines 20 and 21 with "Is a licensed business that in the regular course of business collects, stores, or sells a catalytic converter or any other motor vehicle part."

Renumber accordingly

2021 SENATE STANDING COMMITTEE MINUTES

Judiciary Committee Peace Garden Room, State Capitol

SB 2242
2/1/2021

A BILL for an Act to create and enact a new section to chapter 51-07 of the North Dakota Century Code, relating to the sale or purchase of a catalytic converter; and to provide a penalty.

Senator Larson calls the hearing, all Senators are present: Myrdal, Luick, Dwyer, Bakke, Fors, Heitkamp, Larson [3:33]

Discussion Topics:

- Increasing the penalties for theft
- Protocol for documenting Criminal Offense

Senator Bakke moved to reconsider the committee's actions [3:35]

Senator Myrdal Seconded the Motion
Vote Passed 7-0-0

Vote to reconsider SB 2242	Vote
Senator Diane Larson	Y
Senator Michael Dwyer	Y
Senator JoNell A. Bakke	Y
Senator Robert O. Fors	Y
Senator Jason G. Heitkamp	Y
Senator Larry Luick	Y
Senator Janne Myrdal	Y

Senator Myrdal moved amendment
21.0913.01002 [3:42]

Senator Luick seconded the motion
Vote Passes 7-0-0

Vote to amend SB 2242	Vote
Senator Diane Larson	Y
Senator Michael Dwyer	Y
Senator JoNell A. Bakke	Y
Senator Robert O. Fors	Y
Senator Jason G. Heitkamp	Y
Senator Larry Luick	Y
Senator Janne Myrdal	Y

Senator Myrdal moved a DO PASS AS
AMENDED

Senator Luick Seconds the motion
Vote Passes 7-0-0

Do Pass vote on SB 2242	Vote
Senator Diane Larson	Y
Senator Michael Dwyer	Y
Senator JoNell A. Bakke	Y
Senator Robert O. Fors	Y
Senator Jason G. Heitkamp	Y
Senator Larry Luick	Y
Senator Janne Myrdal	Y

Senator Dwyer Carries
Meeting adjourned [3:45]

Jamal Omar, Committee Clerk

February 1, 2021

86
211

PROPOSED AMENDMENTS TO SENATE BILL NO. 2242

Page 1, line 15, remove "provides"

Page 1, line 16, replace "The" with "Provides the"

Page 1, line 16, remove "or"

Page 1, line 17, after the underscored comma insert "or a bill of sale"

Page 1, line 19, remove "An affidavit executed by a law enforcement officer attesting to the officer's"

Page 1, replace lines 20 and 21 with "Is a licensed business that in the regular course of business collects, stores, or sells a catalytic converter or any other motor vehicle part."

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2242, as reengrossed and amended: Judiciary Committee (Sen. Larson, Chairman)
recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends
DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Reengrossed SB
2242, as amended, was placed on the Sixth order on the calendar.

Page 1, line 15, remove "provides"

Page 1, line 16, replace "The" with "Provides the"

Page 1, line 16, remove "or"

Page 1, line 17, after the underscored comma insert "or a bill of sale"

Page 1, line 19, remove "An affidavit executed by a law enforcement officer attesting to the
officer's"

Page 1, replace lines 20 and 21 with "Is a licensed business that in the regular course of
business collects, stores, or sells a catalytic converter or any other motor vehicle
part."

Renumber accordingly

2021 SENATE STANDING COMMITTEE MINUTES

Judiciary Committee Peace Garden Room, State Capitol

SB 2242
2/8/2021

A BILL for an Act to create and enact a new section to chapter 51-07 of the North Dakota Century Code, relating to the sale or purchase of a catalytic converter; and to provide a penalty.

Chairwoman Larson called the meeting to order, all Senators are present: **Myrdal, Luick Dwyer, Bakke, Fors, Heitkamp, and Larson** [2:44]

Discussion Topics:

- Illicit sale of Catalytic Converters
- Growing threat of Converter Theft

Senator Dwyer moved to amend
[LC 21.0913.03001] [2:47]

Senator Myrdal seconded [2:47]

Vote Passed 7-0-0

Motion to Amend SB 2242	Vote
Senator Diane Larson	Y
Senator Michael Dwyer	Y
Senator JoNell A. Bakke	Y
Senator Robert O. Fors	Y
Senator Jason G. Heitkamp	Y
Senator Larry Luick	Y
Senator Janne Myrdal	Y

Senator Myrdal moved a DO PASS AS
AMENDED [2:48]

Senator Heitkamp seconded [2:48]

Motion Passed 7-0-0

Senator Dwyer carried

DO PASS Vote On SB 2242	Vote
Senator Diane Larson	Y
Senator Michael Dwyer	Y
Senator JoNell A. Bakke	Y
Senator Robert O. Fors	Y
Senator Jason G. Heitkamp	Y
Senator Larry Luick	Y
Senator Janne Myrdal	Y

Meeting adjourned [2:50]

Jamal Omar, Committee Clerk

February 4, 2021

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1051

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2242

Page 1, line 6, after "converter" insert "**- Penalty**"

Page 1, line 21, replace "subject to" with "guilty of an infraction punishable by"

Page 1, line 22, replace the first "offense" with "violation"

Page 1, line 22, replace "fine of two thousand dollars" with "class B misdemeanor"

Page 1, line 22, replace the second "offense" with "violation"

Page 1, line 23, replace "fine" with "penalty"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2242: Judiciary Committee (Sen. Larson, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2242 was placed on the Sixth order on the calendar.

Page 1, line 6, after "converter" insert "**- Penalty**"

Page 1, line 21, replace "subject to" with "guilty of an infraction punishable by"

Page 1, line 22, replace the first "offense" with "violation"

Page 1, line 22, replace "fine of two thousand dollars" with "class B misdemeanor"

Page 1, line 22, replace the second "offense" with "violation"

Page 1, line 23, replace "fine" with "penalty"

Renumber accordingly

2021 HOUSE TRANSPORTATION

SB 2242

2021 HOUSE STANDING COMMITTEE MINUTES

Transportation Committee
Room JW327E, State Capitol

SB 2242
3/11/2021

A bill relating to the sale or purchase of a catalytic converter; and to provide a penalty.

9:00 AM Chairman Ruby called the hearing to order.

Attendance

Representatives	
Representative Dan Ruby	P
Representative Tom Kading	P
Representative Rick Becker	P
Representative Cole Christensen	P
Representative LaurieBeth Hager	P
Representative Jared C. Hagert	P
Representative Karla Rose Hanson	P
Representative Terry B. Jones	P
Representative Emily O'Brien	P
Representative Mark S. Owens	P
Representative Bob Paulson	A
Representative Gary Paur	P
Representative Robin Weisz	P
Representative Greg Westlind	P

Discussion Topics:

- Catalytic converter theft
- Price of platinum, palladium and rhodium
- Penalty

Senator Kannianen introduction # 8681 and proposed amendment #8682 (21.0913.04002).

Russ Hanson, Association of General Contractors of ND, oral supportive testimony.

Molly Barnes, Vice President and Equipment Manager at Northern Improvement Company, supportive testimony #8786.

Arik Spencer, Greater North Dakota Chamber, oral supportive testimony.

Dustin Olson, Lieutenant with the Burleigh County Sheriff's Department, supportive testimony #8803.

Brian Barrett, Lobbyist for North Dakota Towing Association, supportive testimony #8648 and proposed amendment. #8649.

Anthony Bowden, General Manager, Pacific Steel and Recycling, supportive testimony #8712.

Danielle Waterfield, Chief Operator with Scrap Recycling Industry Trade Association, supportive testimony #8763.

Kevin Hanson, Regional Manager with Gerdau Metals Recycling, supportive testimony #8775.

Ralph Friebe, Core Recycler from Jamestown, oral oppositional testimony.

Dustin Gawrylow, Managing Director with ND Watchdog Network, oppositional testimony #7779.

Chairman Ruby closed the hearing.

10:15 AM Adjourned.

Jeanette Cook, Committee Clerk



NORTH DAKOTA SENATE

STATE CAPITOL
600 EAST BOULEVARD
BISMARCK, ND 58505-0360



Senator Jordan Kannianen

District 4
8011 51st Street NW
Stanley, ND 58784-9562

C: 701-421-8813
jkannianen@nd.gov

COMMITTEES:

Finance and Taxation
Political Subdivisions

8681

Testimony on SB 2242

Jordan Kannianen, District 4 Senator

Chairman Ruby and members of the House Transportation Committee,

This bill seeks to discourage the theft of catalytic converters. The value of the precious metals in these converters makes them a ripe target for theft, with perpetrators sawing them off vehicles in the dark of night or stealing vehicles for the sole purpose of swiping and selling the converter. Various reports and verbal anecdotes have led me to believe that this is a large enough problem to require action.

The goal of this bill is to curb the theft of these converters without infringing upon our business community's normal operations or adding burdensome regulations upon them.

The bill in its current form requires some form of proof of ownership in order to sell a catalytic converter to a scrap dealer, with an exemption made for licensed businesses that in the regular course of business collect, store, or sell a catalytic converter or any other motor vehicle part. Some business groups have expressed concern about whether automotive shops or towing businesses are included in this exemption. Legislative Council believes they would be, but an amendment could clarify this.

A further concern was the use of the term "chop shop" in the bill, which is defined in code as one engaging in illegal activities. This should be taken out.

In communications with the scrap dealers and their national institute, they support the overall goal of the bill but have good recommendations on how to make the bill better. They have suggested to place the language within the existing statute regarding scrap metal dealer requirements, since they are already required to document various things with every purchase.

The penalty levels are also adjusted to align with the existing penalty in 51-35-04 for scrap dealers who violate any provision in the section.

With all that being said, I have submitted a hog house amendment which should resolve the previous concerns and earn the approval of the interested parties.

Lastly, a further suggestion was made to make it illegal to buy and sell converters in a mobile unit, since the biggest buyers of stolen goods are the roving, fly-by-night buyers. Including this language in law would give law enforcement the tool they need to shut these individuals down. I would leave that to the wisdom of the committee, but that is not in the proposed amendment.

I believe the bill as amended would accomplish the goal of curbing the theft of catalytic converters without interfering with current business practices and operations. I am also open to suggestions on how the bill could perhaps be improved, and I ask for a Do Pass as amended. Thank you.

Sixty-seventh
Legislative Assembly
of North Dakota

REENGROSSED SENATE BILL NO. 2242

Introduced by

Senators Kannianen, Burckhard, Vedaa

Representatives Fegley, Longmuir, Schauer

A BILL ~~for an Act to create and enact a new section to chapter 51-07 of the North Dakota Century Code, relating to the sale or purchase of a catalytic converter; and to provide a~~
~~penalty for an Act to amend and reenact section 51-35-01, subsection 1 of section 51-35-02,~~
~~and section 51-35-04 of the North Dakota Century Code, relating to scrap metal dealers; and to~~
~~provide a penalty.~~

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

~~**SECTION 1.** A new section to chapter 51-07 of the North Dakota Century Code is created and enacted as follows:~~

~~**Sale or purchase of catalytic converter - Penalty.**~~

~~1. As used in this section, "core recycler" means a person that buys used individual catalytic converters previously removed from a motor vehicle. The term includes a recycler, junk dealer, valuable metal dealer, pawn shop, and a chop shop as defined in section 39-30-01.~~

~~2. A core recycler may not purchase or attempt to purchase a catalytic converter, in whole or in part, when the catalytic converter is not attached to a motor vehicle at the time of the sale or attempted sale, unless the seller is a used parts dealer or an automotive repair company.~~

~~3. Subsection 2 does not apply if the seller:~~

~~a. Provides the core recycler with a certificate of title, certificate of registration, a receipt from a transaction of repair, or a bill of sale for the motor vehicle from which the catalytic converter was taken; or~~

~~b. Is a licensed business that in the regular course of business collects, stores, or sells a catalytic converter or any other motor vehicle part.~~

~~4. A person that violates this section is guilty of an infraction punishable by a fine of one thousand dollars for a first violation, and a class B misdemeanor for a subsequent violation. In addition to the penalty imposed for a subsequent offense, the court shall order the defendant to cease engaging in the business of a core recycler for a period one year.~~

SECTION 1. AMENDMENT. Section 51-35-01 of the North Dakota Century Code is amended and reenacted as follows:

51-35-01. Definitions.

As used in this chapter, unless the context otherwise requires:

1. "Alloy" means a combination of a metal and carbon or other metals.
2. "Business records" means records of any purchase or transaction that involves the receipt of scrap metals made in the ordinary course of business and includes written receipts, books or similar records, or electronically stored records, but does not include correspondence, tax returns, or financial statements.
3. "Core recycler" means a person that buys used individual catalytic converters previously removed from a motor vehicle. The term includes a recycler, junk dealer, valuable metal dealer, and a pawn shop.
4. "Ferrous metals" means those metals that will attract a magnet, and includes alloys of those metals.
- ~~4.5.~~ "Law enforcement officer" or "peace officer" means a public servant authorized by law or by a government agency or branch to enforce the law and to conduct or engage in investigations or prosecutions for violations of law.
- ~~5.6.~~ "Nonferrous metals" means those metals that will not normally attract a magnet, including copper, brass, aluminum, bronze, lead, zinc, platinum, and nickel and includes alloys of those metals. The term includes a used catalytic converter previously removed from a motor vehicle.
- ~~6.7.~~ "Scrap metal" means ferrous or nonferrous metals purchased primarily for reuse or recycling, including metals combined with other materials at the time of purchase or acquisition, and including insulated and uninsulated wire and cable. Scrap metal does not include automobiles, automobile hulks, or any aluminum food or beverage containers.

7.8. "Scrap metal dealer" means a person, as defined in subsection 8 of section 1-01-49, engaged in the business of purchasing, selling, trading, or bartering scrap metal, and includes all employees of the scrap metal dealer. The term includes a core recycler.

SECTION 2. AMENDMENT. Subsection 1 of section 51-35-02 of the North Dakota Century Code is amended and reenacted as follows:

1. Every scrap metal dealer shall keep business records of any purchase, trade, barter, or other transaction that involves the receipt of scrap metals worth over twenty-five dollars. The business records must include the following information:
 - a. The date, time, and place of each purchase or transaction;
 - b. A description of the scrap metal received and the weight and type of scrap metal received;
 - c. The amount paid to the person selling or delivering the scrap metal and the manner of payment, including check or electronic transfer;
 - d. The name and address of the person selling or delivering the scrap metal; ~~and~~
 - e. A photocopy of a valid government-issued identification card or driver's license and which must include the seller's or deliverer's full name, photograph, date of birth, and signature; and
 - f. For the purchase of a used catalytic converter previously removed from a motor vehicle, in whole or in part, a photocopy of the seller's certificate of title, certificate of registration, a receipt from a transaction of repair, or a bill of sale for the motor vehicle from which the catalytic converter was removed. This subdivision does not apply if the seller is a used parts dealer, an automotive repair business, or a licensed business that in the regular course of business collects, stores, or sells a catalytic converter or any other motor vehicle part.

SECTION 3. AMENDMENT. Section 51-35-04 of the North Dakota Century Code is amended and reenacted as follows:

51-35-04. Penalty.

1. A scrap metal dealer who willfully fails to comply with section 51-35-02 is guilty of a class B misdemeanor for a first offense. For a subsequent offense involving a used catalytic converter previously removed from a motor vehicle, a scrap metal dealer is

- 1 guilty of a class B misdemeanor and the court shall order the dealer to cease
2 engaging in the business of a scrap metal dealer for a period of one year.
- 3 2. A scrap metal dealer who willfully buys, receives, possesses, or conceals stolen scrap
4 metal, and the scrap metal is less than five hundred dollars in value is guilty of a
5 class A misdemeanor.
- 6 3. A scrap metal dealer who willfully buys, receives, possesses, or conceals stolen scrap
7 metal, and the scrap metal exceeds five hundred dollars in value, is guilty of a class C
8 felony.

Testimony SB 2242
House Transportation Committee
March 11, 2021

8786

Mr. Chairman and members of the House Transportation Committee, my name is Molly Barnes and I am Vice President & Equipment Manager at Northern Improvement Company. Northern Improvement is a highway, heavy & municipal construction company with North Dakota offices in Fargo, Bismarck, and Dickinson. We have been in business since 1935 and are one of the founding members of the AGC of ND when it formed in 1951.

I appreciate the opportunity to testify today and we support SB 2242. We appreciate SB 2242 being introduced and the thoughtful consideration of this issue, which is a very serious one.

This type of theft has been an increasing issue with our business. On several occasions at our various locations across the state, we have been the victim of theft. Our Fargo location has a fenced in yard, yet in the last two years, we have had 5 catalytic converters stolen off pickups. Our Bismarck location has had 11 catalytic converters stolen in the last two years. New catalytic converters range from \$300 to \$1600 installed. If we average that, we get \$950. $\$950 \times 16$ catalytic converter is over \$15,000. These are just the cost to install the converter. This does not include the labor cost to shuffle the vehicles to and from the dealership. Nor does it account for downtime waiting for the parts and being without the vehicle.

I understand the scrap price is roughly one third to half the price of new. Why is the price so high you may ask? Platinum, Palladium and Rhodium. Platinum value is \$1113.05 per oz. Palladium is \$2387.50 per oz and Rhodium is \$19,260 per oz. Compare these metals to copper at \$0.23 per oz. For the thieves that stole from us, that is up to a \$7500 payday. There is a YouTube video that shows two thieves jacking up a car and stealing the converter in 60 seconds! There was a news article on KFYP on March 9, 2021 where a couple was arrested for stolen catalytic converters. The girl had sold over 50 of them in two months. The male had admitted to stealing the converters. This problem will not be fixed unless there are check and balances within the used parts industry.

Thanks for the opportunity to comment on SB 2242. We offer our support to this legislation and request the House Transportation committee issue a Do Pass Recommendation. If you have any questions, I would be pleased to attempt to address them.

Two charged in catalytic converter thefts

TWO CHARGED IN CATALYTIC CONVERTER THEFTS MERCER COUNTY

- JOSHUA WESTPHAL & JENNIFER BANNISTER
- STOLE MULTIPLE CATALYTIC CONVERTERS
- DRUGS AND OTHER STOLEN ITEMS FOUND IN HOME

Catalytic converter thefts (KFYR)

By Julie Martin

Published: Mar. 9, 2021 at 3:26 PM CST | Updated: 19 hours ago



BISMARCK, N.D. (KFYR) - The Mercer County Sheriff's Department charged two suspects after two months of investigating the theft of catalytic converters.

Deputies took a report in January after two catalytic converters, and a set of rims were stolen from a property in rural Mercer County.

In February, the Sheriff's Office deployed a decoy car with identification marks on the converter.

Deputies say the converter was stolen and sold to a Mandan scrap dealer by Jennifer Bannister.

When deputies executed a search warrant of Bannister's home, several drug paraphernalia items and drugs were located.

During a search of the property, another suspect, Joshua Westphal, admitted to stealing multiple items from Morton County valued at \$7,500 along with multiple catalytic converters.

According to the affidavit, Bannister has sold over 50 catalytic converters in two months, but denied knowing they were stolen.

Bannister is charged with accomplice to theft, theft, possession of a controlled substance, and two counts of unlawful possession of drug paraphernalia.

Westphal is charged with three counts of theft, two counts of unlawful possession of drug paraphernalia, possession of a controlled substance, and criminal mischief.

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BURLEIGH COUNTY SHERIFF'S DEPARTMENT

8803

KELLY LEBEN
SHERIFF

Testimony provided for: House Transportation Committee
By: Dustin Olson, Lieutenant, Burleigh County Sheriff's Department

My name is Dustin Olson and I am a Lieutenant with the Burleigh County Sheriff's Department. I oversee the Enforcement Division which includes our Patrol and Investigation Sections. I come here today in support of Senate Bill (SB) 2242.

The Burleigh County Sheriff's Department (BCSD) supports SB 2242 due to the increase in theft cases involving catalytic converters over the course of the past year and the difficulties that come with investigating these types of theft. In 2020, BCSD began to see thefts of catalytic converters which have continued into 2021. BCSD has also assisted area jurisdictions in several cases that involved the theft of catalytic converters. Tracing the catalytic converter back to a specific theft is extremely difficult since there is no identifying information listed on them.

The sales of the catalytic converters are being completed at local metal business's here in Burleigh County. The majority of those sales are being conducted by individuals, not businesses, with limited documentation given in order to complete the sale, other than an ID. Many of these individuals are completing sales on multiple occasions. Our investigations have discovered that many of the individuals that are completing the sales of catalytic converters have extensive criminal history, to include theft, or they have active warrants for their arrest.

With this information in mind, I ask that the House Transportation Committee give a Do Pass recommendation on SB 2242.

A handwritten signature in black ink that reads "Dustin Olson".

Lt. Dustin Olson

Testimony
Senate Bill 2242
House Transportation Committee
March 11th, 2021
Brian Barrett
ND Towing Association

Good Morning Chairman Ruby and members of the House Transportation Committee. My name is Brian Barrett and I'm here today on behalf of the ND Towing Association.

I'd like to begin by expressing our support for SB 2242. However, The ND Towing Association is unsure if the language in Subsection 3 (b) under section 1, would apply to Licensed Scrap iron Processors?

To avoid ambiguity, we are proposing an amendment to include "Licensed Scrap Iron Processors" to line 14 of subsection 2 under section 1.

I would like to thank the committee for considering the proposed amendment and I stand for any questions.

Thank you.

Amendment for SB 2242 proposed by the ND Towers Association

Add to line 14

2. A core recycler may not purchase or attempt to purchase a catalytic converter, in whole or in part, when the catalytic converter is not attached to a motor vehicle at the time of the sale or attempted sale, unless the seller is a used parts dealer or an automotive repair company, or licensed scrape iron processor.

Renumber Accordingly

Hello, I am Anthony Bowden. Myself, operating as a brick and mortar business within North Dakota, and the company I work for Pacific Steel and Recycling, take the current law and theft very seriously. I support legislation that discourages theft and cracks down on illegitimate buyers of scrap metal and other commodities.

There is a very real problem with illegitimate “core recyclers” buying catalytic converters and other items with cash, ignoring current laws and hurting legitimate businesses.

Following my company’s policy, I currently group our catalytic converter purchases with “non-ferrous” metals and keep driver’s license information and purchase history of all purchases.

In my understanding, SB2242 could inadvertently create a loophole for thieves to evade the established state scrap metal theft laws. “Core Recyclers” could potentially claim that they are a separate type of dealer and not be subject to the record keeping requirements, and current more strict penalties in place in the existing scrap metal statutes.

Me, my company, and the other ISRI member companies in ND think there is a way to achieve the goals of SB2242 by incorporating catalytic converters specifically into existing scrap metal theft laws. This will then also prevent “Core Recyclers” from evading existing scrap metal theft laws and ensure that any buyer or seller of a catalytic converter must abide by the same laws. I feel that these changes would strengthen the current legislation and help to continue to curb the theft we’re seeing.

I support SB2242 as amended.

Thank you

Written Statement of
Danielle F. Waterfield, Chief Policy Officer
On behalf of the
Institute Of Scrap Recycling Industries, Upper Midwest Chapter
to the
House Transportation Committee
Hearing on Senate Bill 2242
March 11, 2021

Members of the Committee, I respectfully submit this statement in support of SB 2242, as amended, on behalf of the Institute of Scrap Recycling Industries (ISRI) Upper Midwest Chapter representing its member companies in the state of North Dakota. In addition to the state of North Dakota, the ISRI Upper Midwest Chapter covers South Dakota, Minnesota, Wisconsin, Iowa, and Nebraska.

The Institute of Scrap Recycling Industries, Inc. ("ISRI") is the voice of the recycling industry, promoting safe, economically sustainable and environmentally responsible recycling through networking, advocacy and education. As a trade association headquartered in Washington, D.C. with 20 regional chapters nationwide, ISRI represents approximately 1,300 companies that process, broker, and industrially consume recyclable commodities including metals, paper, plastics, glass, textiles, rubber, and electronics. The ISRI Upper Midwest Chapter represents 59 member companies, 11 facilities of which are located in the state of North Dakota.

In North Dakota, the recycling industry supports more than 950 jobs, with annual wages of nearly \$57 million. As an essential and green sector of the manufacturing supply chain, the recycling industry has a total economic impact in North Dakota of \$200.84 million per year. (*see attached*)

This statement follows numerous discussions ISRI member companies in North Dakota had in recent days with lawmakers about concerns with unintended consequences of SB 2242 as passed by the Senate. ISRI members in North Dakota fully support the goals outlined in SB 2242 and diligently worked with the sponsor to find a path to support SB 2242 without harming North Dakota recyclers operating responsibly under existing state scrap metal theft statutes. ISRI is pleased to be able to offer its full support of this legislation with the amendment offered today by Senator Kannianen.

The Problem

The market for stolen catalytic converters is fueled by illegal buyers claiming they are not subject to state metals theft laws because they purchase "cores" or parts, and not scrap metal. However, catalytic converters are very rarely sold for reuse as parts, and are not "core" parts like a transmission or engine. Catalytic converters are detached from scrap vehicles for the recycling of the valuable nonferrous metals within those devices. Any purchaser of a catalytic converter is a scrap metal dealer and should not be allowed to evade metals theft laws by saying otherwise.

Thieves target catalytic converters because they can steal them with ease and there is not much law enforcement can do absent catching thieves in the act. Once a catalytic converter is detached from its vehicle, there are typically no ownership markings to create a chain of custody that links the thief to the crime. Particularly in hard economic times, thieves are eager to harvest the valuable nonferrous metals

inside the catalytic converters, including platinum, palladium, and rhodium, for which commodity market prices are currently skyrocketing. It is a crime of ease and opportunity.

Unfortunately, this is not a new crime, but the Internet now makes it easy for thieves to quickly and easily offload the stolen devices. Once a catalytic converter is removed from the vehicle, it looks like any other catalytic converter and can easily be traded to a mobile vendor advertising online that it purchases any catalytic converter for cash and the black market flourishes with no records to be found.

Catalytic converter thieves are quick to evade the law and rarely try to sell their stolen loot to responsible recyclers operating facilities in North Dakota. Existing state metals theft laws require records of all nonferrous metal transactions exceeding \$25 (including the nonferrous metals in catalytic converters) to be kept and made available to law enforcement. The problem that needs to be addressed is breaking the theft chain at the first point buyer, which for the most part involves the itinerant buyer advertising on Facebook Marketplace, etc., or operating mobile units who set up “shop” out of a van in a parking lot somewhere. It would also include those few occasions where small auto repair shops or mechanics, for example, who may purchase catalytic converters but do not identify themselves as scrap metal dealers, and do not follow scrap metals theft laws.

It is important to keep this problem in context as we look to solutions. While there are certainly too many converters being stolen, this number is a tiny fraction of the converters being legitimately recycled each year. Catalytic converters were mandated for vehicles in 1975, and, except for fully electric vehicles, every vehicle manufactured since has one or more converters. While the annual number of vehicles scrapped fluctuates, more than 10 million per year are recycled by scrap metal dealers, and have been for decades. These businesses are helping the environment while supporting the economy, and should not be harmed by unintended consequences of well-intentioned laws aimed at stopping the thieves.

The Solution

Catalytic converter theft prevention needs a multi-stakeholder approach that involves property owners, recyclers, law enforcement, and the general public. Responsible scrap metal dealers are part of the solution, and serve as partners with law enforcement in North Dakota by providing invaluable records on scrap sales. Enforcement of the law is essential, which can be aided by property owners who take recommended steps to protect their vehicles. The general public can be on watch for not only the thieves, but unscrupulous mobile purchasing activities that occur in vacant parking lots and other venues.

ISRI commends the sponsor of SB 2242 for seeking policy that will provide law enforcement the tools it needs to better partner with scrap metal dealers and the public to combat this crime. Some of the tools in SB 2242 that ISRI believes will help curb the illicit trade in stolen catalytic converters include:

- “Core Recyclers” are now defined within the state metals theft statute to eliminate the false claim that an individual purchasing catalytic converters is a “core recycler” and not a scrap metal dealer subject to the extensive recordkeeping laws.
- Catalytic converters are specifically added to the definition of nonferrous metals to make it perfectly clear that purchase of these devices is subject to the scrap metal theft laws.
- The purchase of catalytic converters is restricted to scrap metal dealers operating from a fixed location so as to eliminate any legal transactions from mobile units, such as a van in the parking lot; and sales of catalytic converters are required to be made at a fixed location.



ISRI is the voice of the recycling industry, promoting safe, economically sustainable and environmentally responsible recycling through networking, advocacy and education.



- Catalytic converter theft now faces penalties under the scrap metal theft laws as well as general criminal theft statutes.

Conclusion

ISRI is pleased to support SB 2242 as amended. State metals theft laws provide the tools law enforcement needs to identify sellers of scrap materials, and SB 2242 will ensure that every buyer of catalytic converters is required to comply with these laws. Responsible recyclers are partners with law enforcement as part of the solution, and SB 2242 restricts the purchase of catalytic converters to scrap metal dealers operating from a fixed location to ensure law enforcement has the tools it needs to crack down on thieves and unscrupulous mobile buyers.

ISRI is eager to provide industry experience and expertise to further the goals of SB 2242. If you have any questions or comments, contact David Borsuk, ISRI Upper Midwest Chapter President at BorsukD@sadoff.com; or Danielle Waterfield.

Danielle F. Waterfield, Esq.
Chief Policy Office
Institute of Scrap Recycling Industries
DWaterfield@ISRI.org
202-714-3295: Mobile
202-662-8516: Office

The Scrap Recycling Industry's
TOTAL ECONOMIC IMPACT
IN NORTH DAKOTA IS

**\$200.84
MILLION**



	Direct	Supplier	Induced*	Total
Economic Impact	\$70,836,200	\$68,384,600	\$61,621,400	\$200,842,200
Jobs	320	282	355	957
Wages	\$21,987,600	\$18,336,500	\$16,397,400	\$56,721,500
Taxes Generated				\$15,840,800

*Re-spending by employees of industry and supplier firms.



The U.S. recycling industry processes approximately **130 million** metric tons of scrap, metal, paper, plastics, electronics, textiles, glass, and rubber annually.



More than **70 percent** of the scrap processed in the U.S. is used in domestic manufacturing.



The U.S. exports commodity grade recyclable material to roughly **150 + countries** each year for use in manufacturing.



The material recycled annually in the U.S. saves the CO2 equivalent of **410 million** tons of greenhouse gas emissions, the amount of energy used in **43 million** homes a year.

Direct Impacts	Jobs	Wages	Economic Impact
Recyclers	310	\$21,187,000	\$68,384,900
Brokers	10	\$800,600	\$2,451,300
TOTAL DIRECT IMPACTS	320	\$21,987,600	\$70,836,200

Supplier Impacts	Jobs	Wages	Economic Impact
Agriculture	10	\$169,900	\$2,225,400
Mining	26	\$2,856,100	\$9,998,300
Construction	3	\$219,100	\$542,600
Manufacturing	32	\$2,260,000	\$19,573,000
Transportation & Communication	26	\$1,991,900	\$7,127,300
Wholesaling	16	\$1,408,400	\$4,279,100
Retailing	2	\$83,300	\$178,100
Finance, Insurance, & Real Estate	32	\$1,839,400	\$7,653,400
Travel & Entertainment	20	\$428,500	\$1,273,700
Business & Personal Services	111	\$6,756,800	\$14,683,600
Government	4	\$323,100	\$850,100
TOTAL SUPPLIER IMPACTS	282	\$18,336,500	\$68,384,600

Induced Impacts	Jobs	Wages	Economic Impact
Agriculture	35	\$578,500	\$7,885,100
Mining	12	\$1,193,700	\$4,007,700
Construction	4	\$268,200	\$681,200
Manufacturing	17	\$1,140,400	\$9,449,000
Transportation & Communication	15	\$1,237,900	\$5,347,900
Wholesaling	9	\$806,400	\$2,464,500
Retailing	44	\$1,523,800	\$3,711,300
Finance, Insurance, & Real Estate	37	\$1,737,400	\$12,124,600
Travel & Entertainment	47	\$979,200	\$2,998,600
Business & Personal Services	124	\$6,403,000	\$11,773,700
Government	4	\$295,200	\$1,041,300
Other	7	\$233,700	\$136,500
TOTAL SUPPLIER IMPACTS	355	\$16,397,400	\$61,621,400

TOTAL IMPACTS	957	\$56,721,500	\$200,842,200
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Taxes	Federal	State	Total Taxes
Business Taxes	\$10,976,600	\$4,864,200	\$15,840,800

Some details may not add up due to rounding.

March 11, 2021

Good morning. I am Kevin Hanson, Midwest Regional Manager for Gerdau metals recycling. Thank you for the opportunity to appear here today to express my support for Senate Bill 2242, as amended. Gerdau will be contributing to a written submission as part of our trade association, the Institute of Scrap Recycling Industries.

Gerdau is one of the world's largest steelmakers. The company's U.S. metals recycling operations – including locations in Bismarck, Fargo, Jamestown, and Minot – are fully licensed, comply with all existing metals theft legislation, and have extensive procedures in place to screen incoming material, to document transactions, and to prevent stolen goods from ending up in our facilities. We are an ally of the law enforcement community and are proud to play an integral role in stopping the theft of metals, including catalytic converters.

I commend the sponsors of this bill for working to address this important issue, and for engaging with responsible members of the recycling community and other stakeholders to ensure the legislation's effectiveness. I am pleased to offer Gerdau's full support for Senate Bill 2242 with the amendment offered today.

Thank you.

SB 2242 – Testimony by Dustin Gawrylow (Lobbyist #266) North Dakota Watchdog Network

There is a problem with the theft of catalytic converters.

This bill needs to provide a way for a Do-It-Yourself mechanic that is not breaking the law to legally dispose of their used components and receive market value for the core.

No law should ever make it more difficult for law abiding citizens to operate.

2021 HOUSE STANDING COMMITTEE MINUTES

Transportation Committee
Room JW327E, State Capitol

SB 2242
3/12/2021

A bill relating to the sale or purchase of a catalytic converter; and to provide a penalty.

9:57 AM **Chairman Ruby** brought the bill back to committee.

Attendance

Representatives	
Representative Dan Ruby	P
Representative Tom Kading	P
Representative Rick Becker	P
Representative Cole Christensen	P
Representative LaurieBeth Hager	P
Representative Jared C. Hagert	P
Representative Karla Rose Hanson	P
Representative Terry B. Jones	P
Representative Emily O'Brien	P
Representative Mark S. Owens	P
Representative Bob Paulson	P
Representative Gary Paur	P
Representative Robin Weisz	P
Representative Greg Westlind	P

Discussion Topics:

- Catalytic converters theft and sales
- Punishment

Review.

Representative Becker moved the amendments. (21.0913.04002)

Representative Christensen seconded.

Voice vote carried.

Representative Becker moved a Do Not Pass as amended.

Representative Christensen seconded.

Roll Call Vote

Representatives	Vote
Representative Dan Ruby	Y
Representative Tom Kading	Y
Representative Rick Becker	Y
Representative Cole Christensen	Y
Representative LaurieBeth Hager	Y
Representative Jared C. Hagert	Y

Representative Karla Rose Hanson	Y
Representative Terry B. Jones	Y
Representative Emily O'Brien	A
Representative Mark S. Owens	Y
Representative Bob Paulson	Y
Representative Gary Paur	Y
Representative Robin Weisz	Y
Representative Greg Westlind	Y

Motion Carried. 13-0-1 **Representative Christensen** carrier.

10:07 AM Chairman Ruby adjourned.

Jeanette Cook, Committee Clerk

March 10, 2021

DP 3/12/21
1012

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2242

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact section 51-35-01, subsection 1 of section 51-35-02, and section 51-35-04 of the North Dakota Century Code, relating to scrap metal dealers; and to provide a penalty.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 51-35-01 of the North Dakota Century Code is amended and reenacted as follows:

51-35-01. Definitions.

As used in this chapter, unless the context otherwise requires:

1. "Alloy" means a combination of a metal and carbon or other metals.
2. "Business records" means records of any purchase or transaction that involves the receipt of scrap metals made in the ordinary course of business and includes written receipts, books or similar records, or electronically stored records, but does not include correspondence, tax returns, or financial statements.
3. "Core recycler" means a person that buys used individual catalytic converters previously removed from a motor vehicle. The term includes a recycler, junk dealer, valuable metal dealer, and a pawn shop.
4. "Ferrous metals" means those metals that will attract a magnet, and includes alloys of those metals.
- ~~4-5.~~ "Law enforcement officer" or "peace officer" means a public servant authorized by law or by a government agency or branch to enforce the law and to conduct or engage in investigations or prosecutions for violations of law.
- ~~5-6.~~ "Nonferrous metals" means those metals that will not normally attract a magnet, including copper, brass, aluminum, bronze, lead, zinc, platinum, and nickel and includes alloys of those metals. The term includes a used catalytic converter previously removed from a motor vehicle.
- ~~6-7.~~ "Scrap metal" means ferrous or nonferrous metals purchased primarily for reuse or recycling, including metals combined with other materials at the time of purchase or acquisition, and including insulated and uninsulated wire and cable. Scrap metal does not include automobiles, automobile hulks, or any aluminum food or beverage containers.
- ~~7-8.~~ "Scrap metal dealer" means a person, as defined in subsection 8 of section 1-01-49, engaged in the business of purchasing, selling, trading, or

bartering scrap metal, and includes all employees of the scrap metal dealer. The term includes a core recycler.

SECTION 2. AMENDMENT. Subsection 1 of section 51-35-02 of the North Dakota Century Code is amended and reenacted as follows:

1. Every scrap metal dealer shall keep business records of any purchase, trade, barter, or other transaction that involves the receipt of scrap metals worth over twenty-five dollars. The business records must include the following information:
 - a. The date, time, and place of each purchase or transaction;
 - b. A description of the scrap metal received and the weight and type of scrap metal received;
 - c. The amount paid to the person selling or delivering the scrap metal and the manner of payment, including check or electronic transfer;
 - d. The name and address of the person selling or delivering the scrap metal; ~~and~~
 - e. A photocopy of a valid government-issued identification card or driver's license and which must include the seller's or deliverer's full name, photograph, date of birth, and signature; and
 - f. For the purchase of a used catalytic converter previously removed from a motor vehicle, in whole or in part, a photocopy of the seller's certificate of title, certificate of registration, a receipt from a transaction of repair, or a bill of sale for the motor vehicle from which the catalytic converter was removed. This subdivision does not apply if the seller is a used parts dealer, an automotive repair business, or a licensed business that in the regular course of business collects, stores, or sells a catalytic converter or any other motor vehicle part.

SECTION 3. AMENDMENT. Section 51-35-04 of the North Dakota Century Code is amended and reenacted as follows:

51-35-04. Penalty.

1. A scrap metal dealer who willfully fails to comply with section 51-35-02 is guilty of a class B misdemeanor for a first offense. For a subsequent offense involving a used catalytic converter previously removed from a motor vehicle, a scrap metal dealer is guilty of a class B misdemeanor and the court shall order the dealer to cease engaging in the business of a scrap metal dealer for a period of one year.
2. A scrap metal dealer who willfully buys, receives, possesses, or conceals stolen scrap metal, and the scrap metal is less than five hundred dollars in value is guilty of a class A misdemeanor.
3. A scrap metal dealer who willfully buys, receives, possesses, or conceals stolen scrap metal, and the scrap metal exceeds five hundred dollars in value, is guilty of a class C felony."

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2242, as engrossed: Transportation Committee (Rep. D. Ruby, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2242 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact section 51-35-01, subsection 1 of section 51-35-02, and section 51-35-04 of the North Dakota Century Code, relating to scrap metal dealers; and to provide a penalty.

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- b. A description of the scrap metal received and the weight and type of scrap metal received;
- c. The amount paid to the person selling or delivering the scrap metal and the manner of payment, including check or electronic transfer;
- d. The name and address of the person selling or delivering the scrap metal; ~~and~~
- e. A photocopy of a valid government-issued identification card or driver's license and which must include the seller's or deliverer's full name, photograph, date of birth, and signature; and
- f. For the purchase of a used catalytic converter previously removed from a motor vehicle, in whole or in part, a photocopy of the seller's certificate of title, certificate of registration, a receipt from a transaction of repair, or a bill of sale for the motor vehicle from which the catalytic converter was removed. This subdivision does not apply if the seller is a used parts dealer, an automotive repair business, or a licensed business that in the regular course of business collects, stores, or sells a catalytic converter or any other motor vehicle part.

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2. A scrap metal dealer who willfully buys, receives, possesses, or conceals stolen scrap metal, and the scrap metal is less than five hundred dollars in value is guilty of a class A misdemeanor.
3. A scrap metal dealer who willfully buys, receives, possesses, or conceals stolen scrap metal, and the scrap metal exceeds five hundred dollars in value, is guilty of a class C felony."

Renumber accordingly