
Senate Committee on Judiciary

This measure may be considered for action during today's work session.

SENATE BILL 243

Revises provisions relating to catalytic converters. (BDR 15-37)

Sponsored By: Senators Nguyen, Doñate, and Krasner, et al.
Assembly Members Torres, Dickman, and Yeager, et al.

Date Heard: March 23, 2023

Fiscal Notes: Effect on Local Government: No.
Effect on the State: Yes.

Senate Bill 243 sets forth provisions defining the offense of theft or possession of a catalytic converter and provides graduated felony penalties for theft or possession of a catalytic converter or multiple catalytic converters. A scrap metal processor who knowingly sells a used catalytic converter is subject to similar penalties as are set forth in regard to theft or possession of a catalytic converter. The bill also prohibits the purchase of a used catalytic converter from anyone other than a properly licensed entity and sets forth requirements for the sale and purchase of such as well as requiring the maintenance of records and reporting involving the identification, purchase, and sale of catalytic converters. Violation of these provisions is a misdemeanor and carries graduated fines for subsequent offenses.

Amendments: In consultation with the sponsor, the Nevada District Attorneys Association has offered a friendly amendment that is attached on the following page. The amendment:

- Revises language defining the offense of possession of a catalytic converter.
- Removes language providing for a rebuttable presumption regarding possession of a catalytic converter.
- Revises slightly the definition of "used catalytic converter" to include any part thereof.
- Adds language providing that a person may prove that he or she is in lawful possession of a catalytic converter.
- Simplifies the number of catalytic converters one must possess relating to the proposed category D felony and lowers from 10 years to 6 years the maximum prison term for the proposed category B felony.
- Provides that payments addressed in the bill may be made by electronic ACH transfer.

Nevada District Attorneys Association

2023 Legislative Session PROPOSED AMENDMENT TO SB 243

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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 202 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2, 3 and 4 of this act.

3 **Sec. 2. 1.** *A person commits the offense of theft ~~or~~*
4 ~~possession~~ *of a catalytic converter if the person willfully takes or*
5 *attempts to take possession of, carries away or exercises control*
6 *over a used catalytic converter with the intent to deprive the*
7 *rightful owner of the catalytic converter.*

8 **2.** *A person commits the offense of possession of a catalytic*
9 ~~*converter There is a rebuttable presumption that a person*~~
10 ~~*in possession of if the person possesses two or more used*~~
11 ~~*catalytic converters obtained the*~~
12 ~~*used catalytic converters under circumstances constituting a*~~
13 ~~*violation of subsection 1 unless the person is:*~~

- 11 (i) *An automobile wrecker licensed pursuant to NRS 487.070;*
12 (ii) *A scrap metal processor licensed pursuant to NRS 647.092*
13 *who maintains a fixed place of business and has obtained the used*
14 *catalytic converter in accordance with the provisions of NRS*
15 *647.094 and 647.098;*
16 (iii) *A motor vehicle manufacturer, distributor, dealer or*
17 *rebuilder licensed pursuant to NRS 482.325;*

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18 (d) Any other business that may reasonably generate, possess
19 or sell used catalytic converters; or

20 (e) A person possessing documentation that proves the person
21 is the lawful owner or lawful possessor of the used
22 catalytic converter, including,
23 without limitation, a certificate of title or registration that
24 identifies the person as the legal or registered owner of the vehicle
25 from which the used catalytic converter was removed and which
26 includes a vehicle identification number that matches the vehicle
27 identification number permanently marked on the used catalytic
28 converter.

28 3. As used in this section:

29 (a) "Permanently marked" has the meaning ascribed to it in
30 section 6 of this act.

1 (b) "Used catalytic converter" has the meaning ascribed to it
2 in section 7 of this act.

3 **Sec. 3. 1.** A person shall not purchase a used catalytic
4 converter for any purpose, including, without limitation, to
5 dismantle, recycle or smelt, unless the person purchases the used
6 catalytic converter from:

7 (a) An automobile wrecker licensed pursuant to NRS 487.070;

8 (b) A scrap metal processor licensed pursuant to NRS 647.092
9 who maintains a fixed place of business and has obtained the used
10 catalytic converter in accordance with the provisions of NRS
11 647.094 and 647.098;

12 (c) A motor vehicle manufacturer, distributor, dealer or
13 rebuilder licensed pursuant to NRS 482.325;

14 (d) Any other business that may reasonably generate, possess
15 or sell used catalytic converters; or

16 (e) A person possessing documentation that proves the person
17 is the lawful owner or lawful possessor of the used
18 catalytic converter, including,

19 without limitation, a certificate of title or registration that
20 identifies the person as the legal or registered owner of the vehicle
21 from which the used catalytic converter was removed and which
22 includes a vehicle identification number that matches the vehicle
23 identification number permanently marked on the used catalytic
24 converter.

24 2. As used in this section:

25 (a) "Permanently marked" has the meaning ascribed to it in
26 section 6 of this act.

27 (b) "Used catalytic converter" has the meaning ascribed to it
28 in section 7 of this act.

29 **Sec. 4.** A person who violates any provision of section 2 or 3
30 of this act is guilty of:

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31 1. If the violation involves one used catalytic converter, a
32 category E felony and shall be punished as provided in
33 NRS 193.130.

34 2. If the violation involves more than two, ~~three or four~~
but less than ten used catalytic
35 converters, a category D felony and shall be punished as provided
36 in NRS 193.130.

~~37 3. If the violation involves five or more, but less than 10, used
38 catalytic converters, a category B felony and shall be punished by
39 imprisonment in the state prison for a minimum term of not less
40 than 1 year and a maximum term of not more than 6 years.~~

41 4. If the violation involves 10 or more used catalytic
42 converters, a category B felony and shall be punished by
43 imprisonment in the state prison for a minimum term of not less
44 than 1 year and a maximum term of not more than ~~10~~ 6 years.

1 Sec. 5. Chapter 647 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 6 to 10, inclusive, of this
3 act.

4 Sec. 6. “Permanently marked” means prominently engraved,
5 etched, welded, metal-stamped, acid-marked or otherwise
6 permanently displayed using a similarly reliable method of
7 imparting a lasting mark on the exterior case of a used catalytic
8 converter.

9 Sec. 7. “Used catalytic converter” means a catalytic
10 converter or any part thereof, that has been previously installed
11 on a vehicle and has
12 been removed. The term does not include a reconditioned or
13 refurbished catalytic converter being sold at retail.

14 Sec. 8. A person who is authorized to purchase or otherwise
15 receive a used catalytic converter pursuant to subsection 1 of NRS
16 647.0172 shall not purchase or otherwise receive a used catalytic
17 converter for any purpose, including, without limitation, to
18 dismantle, recycle or smelt, unless the person purchases or
19 receives the used catalytic converter from:

20 1. An automobile wrecker licensed pursuant to NRS 487.070;

21 2. A scrap metal processor licensed pursuant to NRS 647.092
22 who maintains a fixed place of business and has obtained the used
23 catalytic converter in accordance with the provisions of NRS
24 647.094 and 647.098;

25 3. A motor vehicle manufacturer, distributor, dealer or
26 rebuilder licensed pursuant to NRS 482.325;

27 4. Any other business that may reasonably generate, possess
28 or sell used catalytic converters; or

29 5. A person possessing documentation that proves the person
is the lawful owner or lawful possessor of the used

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30 *catalytic converter, including,*
31 *without limitation, a certificate of title or registration that*
32 *identifies the person as the legal or registered owner of the vehicle*
33 *from which the used catalytic converter was removed and which*
34 *includes a vehicle identification number that matches the vehicle*
35 *identification number permanently marked on the used catalytic*
36 *converter.*

36 **Sec. 9. 1.** *Except as otherwise provided in subsections 2*
37 *and 3, every scrap metal processor shall maintain in his or her*
38 *place of business a book or other permanent record in which must*
39 *be made, at the time of each purchase of a used catalytic*
40 *converter, a record of the purchase that contains:*

41 *(a) The place and date of the purchase.*

42 *(b) The name of the seller and the seller's valid driver's license*
43 *number or valid identification card number and the state of issue.*

1 *(c) A general description of the vehicle delivering the used*
2 *catalytic converter, including, without limitation, the state of the*
3 *registration of the vehicle.*

4 *(d) A description of the used catalytic converter purchased,*
5 *including, without limitation, the item type, quantity and vehicle*
6 *identification number of the used catalytic converter.*

7 *(e) A description of the vehicle from which the used catalytic*
8 *converter was removed, including, without limitation:*

9 *(1) The year, make, model and vehicle identification*
10 *number of the vehicle; and*

11 *(2) If applicable, a copy of the title of the vehicle which*
12 *includes a vehicle identification number that matches the vehicle*
13 *identification number permanently marked on the used catalytic*
14 *converter.*

15 *(f) A statement written by the seller indicating:*

16 *(1) That the seller is the owner of the used catalytic*
17 *converter; or*

18 *(2) The name of the person from which the seller obtained*
19 *the used catalytic converter, including, if applicable, the name of*
20 *the business as shown on a signed transfer document.*

21 *(g) The price paid by the scrap metal processor for the used*
22 *catalytic converter.*

23 *(h) If the seller is a business entity, other than a scrap metal*
24 *processor:*

25 *(1) The seller's physical business address;*

26 *(2) The seller's business telephone number; and*

27 *(3) The seller's business license number or tax*
28 *identification number of the business.*

29 **2.** *A scrap metal processor who purchases a used catalytic*
30 *converter from a business entity that holds a written agreement*

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31 with another business that sells used catalytic converters for
32 recycling purposes is required to maintain in his or her place of
33 business a book or other permanent record in which must be
34 made, at the time of each purchase, a record of the purchase that
35 contains:

36 (a) The name of the seller or agent acting on behalf of the
37 seller.

38 (b) The seller's physical business address and business
39 telephone number.

40 (c) The seller's business license number or tax identification
41 number.

42 (d) The date and place of the transaction.

43 (e) The number of used catalytic converters received in the
44 course of the transaction.

1 (f) The amount of money that was paid for each used catalytic
2 converter in the course of the transaction.

3 (g) A copy of the written agreement.

4 3. A scrap metal processor who sells a used catalytic
5 converter to another scrap metal processor shall maintain in his or
6 her place of business a book or other permanent record in which
7 must be made, at the time of each sale, a record of the sale that
8 contains:

9 (a) The name and address of each person to whom each used
10 catalytic converter is sold.

11 (b) The number of used catalytic converters being sold.

12 (c) The amount of money that was received for each used
13 catalytic converter sold in the transaction.

14 (d) The date and place of the transaction.

15 4. All records kept pursuant to subsections 1, 2 and 3 must be
16 kept and maintained for not less than 2 years.

17 5. All used catalytic converters purchased by the scrap metal
18 processor and the records made and maintained in accordance
19 with subsections 1 to 4, inclusive, must be made available at all
20 times to a local law enforcement agency upon demand.

21 **Sec. 10. 1. Except as otherwise provided in subsection 2, a**
22 **scrap metal processor shall not provide payment for a used**
23 **catalytic converter unless:**

24 (a) The payment is made by check or electronic ACH transfer
~~and is:~~

~~25 (1) Mailed by the scrap metal processor to the address listed~~
~~26 on the seller's valid driver's license or identification card or an~~
~~27 alternative address pursuant to subparagraph 2;~~

~~28 (2) For a seller that is a business entity, mailed to the~~
~~29 seller's business address or made available immediately through~~
~~30 an electronic transfer of money; or~~

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~~31 (3) Collected by the seller from the scrap metal processor
32 on the third business day after the date of the sale;~~

33 (b) The seller is a person described in section 8 of this act; and

34 (c) The scrap metal processor obtains:

35 (1) A clear photograph or video of the:

36 (I) Seller at the time of the sale;

37 (II) Used catalytic converter being sold; and

38 (III) If applicable, the vehicle identification number
39 permanently marked on the used catalytic converter;

40 (2) ~~Except as otherwise provided in subparagraph (3), a~~
41 copy of the seller's valid driver's license containing the
42 photograph and address of the seller, or a copy of a state or
43 federal government-issued identification card containing the
44 photograph and address of the seller; and

~~1 (3) If the seller prefers to have the check for the used
2 catalytic converter mailed to an alternative address, a copy of a
3 driver's license or identification card and a gas or electric utility
4 bill addressed to the seller at the alternative address, other than a
5 post office box, with a payment due date of not more than 2
6 months before the date of the sale; and~~

7 ~~(4) A statement written by the seller indicating:~~

8 (I) That the seller is the owner of the used catalytic
9 converter; or

10 (II) The name of the person from whom the seller
11 obtained the used catalytic converter, including, if applicable, the
12 name of the business as shown on a signed transfer document.

13 2. The provisions of subsection 1 do not apply to a scrap
14 metal processor who buys a used catalytic converter if the scrap
15 metal processor and the seller have a written agreement for the
16 transaction which includes:

17 (a) A log or other regularly updated record of all used catalytic
18 converters received pursuant to the agreement; and

19 (b) A description of each catalytic converter with enough
20 particularity so that each of the used catalytic converters in the
21 scrap metal processor's inventory can reasonably be matched to its
22 description in the agreement.

23 **Sec. 11.** NRS 647.010 is hereby amended to read as follows:

24 647.010 As used in this chapter, unless the context otherwise
25 requires, the words and terms defined in NRS 647.011 to 647.018,
26 inclusive, *and sections 6 and 7 of this act* have the meanings
27 ascribed to them in those sections.

28 **Sec. 12.** NRS 647.017 is hereby amended to read as follows:

29 647.017 1. "Scrap metal" means ~~†~~

30 ~~(a) Nonferrous†~~ *nonferrous* metals, scrap iron, stainless steel or
31 other material or equipment which consists in whole or in part of

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32 metal and which is used in construction, agricultural operations,
33 electrical power generation, transmission or distribution, cable,
34 broadband or telecommunications transmission, railroad equipment,
35 oil well rigs or any lights maintained by the State or a local
36 government, including, without limitation, street lights, traffic-
37 control devices, park lights or ballpark lights. ~~†; and~~
38 ~~—(b) Catalytic converters.†~~

39 2. The term does not include waste generated by a household,
40 aluminum beverage containers, used construction scrap iron, ~~†or†~~
41 materials consisting of a metal product in its original manufactured
42 form which contains not more than 20 percent by weight nonferrous
43 metal ~~††~~ *or used catalytic converters.*

44 **Sec. 13.** NRS 647.0172 is hereby amended to read as follows:
45 647.0172 “Scrap metal processor” means any person who:

1 1. Engages in the business of purchasing, trading, bartering or
2 otherwise receiving scrap metal ~~††~~ *or used catalytic converters; or*
3 2. Uses machinery and equipment for processing and
4 manufacturing iron, steel or nonferrous scrap into prepared grades,
5 and whose principal product is scrap iron, scrap steel or nonferrous
6 metallic scrap, not including precious metals, for sale for remelting
7 purposes.

8 **Sec. 14.** NRS 647.0945 is hereby amended to read as follows:
9 647.0945 1. A local law enforcement agency may establish

10 an electronic reporting system or utilize an existing electronic
11 reporting system to receive information relating to the purchase of
12 scrap metal *or used catalytic converters* by a scrap metal processor
13 that transacts business within the jurisdiction of the local law
14 enforcement agency. An electronic reporting system established or
15 utilized pursuant to this subsection must:

16 (a) Be electronically secure and accessible only to:

17 (1) A scrap metal processor for the purpose of submitting the
18 information required by subsection 2;

19 (2) An officer of the local law enforcement agency; and

20 (3) If applicable, an authorized employee of any designated
21 third party.

22 (b) Provide for the electronic submission of information by a
23 scrap metal processor.

24 2. If a local law enforcement agency establishes an electronic
25 reporting system or utilizes an existing electronic reporting system
26 pursuant to subsection 1, each scrap metal processor that transacts
27 business within the jurisdiction of the local law enforcement agency
28 shall, before 12 p.m. of each business day, submit electronically to
29 the local law enforcement agency or, if applicable, a designated
30 third party the following information regarding ~~†each†~~ :

31 (a) *Each* purchase of scrap metal conducted on the preceding

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32 day from a person who sold the scrap metal in his or her individual
33 capacity:

- 34 ~~(a)~~ (1) The name of the seller;
- 35 ~~(b)~~ (2) The date of the purchase;
- 36 ~~(c)~~ (3) The name of the person or employee who conducted the
37 transaction on behalf of the scrap metal processor;
- 38 ~~(d)~~ (4) The name, street, house number and date of birth listed
39 on the identification provided pursuant to paragraph (c) of
40 subsection 1 of NRS 647.094 and a physical description of the
41 seller, including the seller's gender, height, eye color and hair color;
- 42 ~~(e)~~ (5) The license number and general description of any
43 vehicle that delivered the scrap metal;
- 44 ~~(f)~~ (6) The description of the scrap metal recorded pursuant to
45 paragraph (h) of subsection 1 of NRS 647.094; ~~and~~

1 ~~(g)~~ (7) The amount, in weight, of scrap metal purchased ~~(h)~~ ;
2 and

3 *(b) Each purchase of a used catalytic converter conducted on*
4 *the preceding day from a person who sold the used catalytic*
5 *converter in his or her individual capacity:*

6 *(1) A statement written by the seller indicating:*

7 *(I) That the seller is the owner of the used catalytic*
8 *converter; or*

9 *(II) The name of the person from whom the seller*
10 *obtained the used catalytic converter, including, if applicable, the*
11 *name of the business as shown on a signed transfer document;*

12 *(2) If applicable, a copy of the title of the vehicle from*
13 *which the used catalytic converter was removed which includes a*
14 *vehicle identification number that matches the vehicle*
15 *identification number permanently marked on the used catalytic*
16 *converter;*

17 *(3) The year, make, model and vehicle identification*
18 *number of the vehicle from which the used catalytic converter was*
19 *removed; and*

20 *(4) A description of the used catalytic converter purchased*
21 *or sold, including, without limitation, the item type, quantity and*
22 *vehicle identification number permanently marked on the used*
23 *catalytic converter.*

24 3. If a scrap metal processor is required to submit information
25 to a local law enforcement agency or, if applicable, a designated
26 third party pursuant to subsection 2, the scrap metal processor shall
27 display prominently at the point of purchase a public notice, in a
28 form approved by the local law enforcement agency, describing the
29 information that the scrap metal processor is required to submit
30 electronically to the local law enforcement agency or, if applicable,
31 the designated third party.

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32 4. Nothing in this section shall be deemed to limit or otherwise
33 abrogate any duty of a scrap metal processor to maintain a book or
34 other permanent record of information pursuant to NRS 647.094.

35 5. If a local law enforcement agency establishes an electronic
36 reporting system or utilizes an existing electronic reporting system
37 to receive information pursuant to this section, the local law
38 enforcement agency shall, on or before January 15 of each odd-
39 numbered year, submit to the Director of the Legislative Counsel
40 Bureau for transmittal to the Legislature a report regarding the effect
41 of the electronic reporting system on the incidence of crime which
42 relates to the sale or purchase of scrap metal *or used catalytic*
43 *converters* within the jurisdiction of the law enforcement agency.

44 6. ~~The~~ *Except as otherwise provided in paragraph (b) of*
45 *subsection 2, the* provisions of this section do not apply to the

1 purchase of scrap metal *or a used catalytic converter* from a
2 business entity.

3 7. The Division of Industrial Relations of the Department of
4 Business and Industry shall, in consultation with representatives
5 from local law enforcement agencies in this state and representatives
6 from the scrap metal industry, adopt regulations to ensure the
7 confidentiality of information which is reported and maintained
8 pursuant to this section, including, without limitation, regulations
9 providing for:

10 (a) The confidentiality of consumer information;

11 (b) The confidentiality of proprietary information;

12 (c) Equity of input into contractual terms;

13 (d) Contractual terms relating to disclaimers, indemnification
14 and the ownership of data by a designated third party;

15 (e) Oversight of a designated third party that handles, maintains
16 or has access to such information, including, without limitation, the
17 qualifications, equipment, procedures and background checks
18 required of a designated third party;

19 (f) The manner in which reported information may be used,
20 shared or disseminated; and

21 (g) The maintenance of reported information in relationship to
22 other data maintained by a law enforcement agency.

23 8. As used in this section, “designated third party” means any
24 person with whom a local law enforcement agency has entered into
25 a contract for the purpose of receiving and storing any information
26 required to be submitted electronically by a scrap metal processor
27 pursuant to subsection 2.

28 **Sec. 15.** NRS 647.143 is hereby amended to read as follows:

29 647.143 1. ~~Unless~~ *Except as otherwise provided in*
30 *subsection 3 and unless* a greater penalty is provided pursuant to
31 specific statute, a person who violates any provision of NRS

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32 647.094, 647.096 or 647.098 *or section ~~8, 9 or 10~~ of this act* is
33 guilty of a misdemeanor ~~[.] and shall be punished by:~~

34 ~~(a) For the first offense, a fine of \$1,000;~~

35 ~~(b) For the second offense, a fine of \$2,000; or~~

36 ~~(c) For a third and subsequent offense, a fine of not less than~~
37 ~~\$4,000.~~

38 2. *In addition to the provisions of subsection 2, the court may*
39 *issue an injunction prohibiting a person from engaging in the*
40 *business of a scrap metal processor:*

41 (a) *For the first or second offense, for a period of not less than*
42 *30 days.*

43 (b) *For a third or subsequent offense, for a period of 1 year.*

44 3. *Any scrap metal processor who is a natural person and*
45 *who knowingly violates section 8 of this act or who sells any used*

1 *catalytic converter that the scrap metal processor knows or should*
2 *know is a stolen catalytic converter, is guilty of:*

3 (a) *If the violation involves one used catalytic converter, a*
4 *category E felony and shall be punished as provided in*
5 *NRS 193.130.*

6 (b) *If the violation involves more than two, ~~three or four~~ but*
7 *less than ten used catalytic*
8 *converters, a category D felony and shall be punished as provided*
9 *in NRS 193.130.*

10 ~~(c) If the violation involves five or more, but less than 10, used~~
11 ~~catalytic converters, a category B felony and shall be punished by~~
12 ~~imprisonment in the state prison for a minimum term of not less~~
13 ~~than 1 year and a maximum term of not more than 6 years.~~

14 (d) *If the violation involves 10 or more used catalytic*
15 *converters, a category B felony and shall be punished by*
16 *imprisonment in the state prison for a minimum term of not less*
than 1 year and a maximum term of not more than ~~10~~ 6 years.

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