

AMENDED IN SENATE MAY 5, 2009  
AMENDED IN SENATE APRIL 13, 2009

**SENATE BILL**

**No. 627**

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**Introduced by Senator Calderon**

February 27, 2009

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*An act to add Section 11542 to the Vehicle Code, relating to vehicles.  
An act to add Section 21610 to the Business and Professions Code,  
relating to junk.*

LEGISLATIVE COUNSEL'S DIGEST

SB 627, as amended, Calderon. ~~Vehicles: catalytic~~ *Catalytic converters: junk dealers and recyclers.*

(1) Existing law requires a person who is engaged in the business of buying, selling, or dealing in integral parts of, or component materials of, a vehicle, or deals in used motor vehicle parts to obtain a license from the Department of Motor Vehicles. A violation of this provision is a crime. *prohibits a junk dealer or recycler from providing payment for nonferrous material, as defined, unless the payment is made by cash or check, the check is mailed or the cash or check is provided no earlier than 3 days after the date of sale, and the dealer or recycler obtains a photograph or video of the seller and certain other identifying information, as specified, which information is to be retained by the dealer or recycler for 2 years. Existing law requires a junk dealer or recycler to allow for periodic inspection of any premises maintained for purposes of determining compliance with the recordkeeping requirements, and, upon inspection, to produce his or her sales and purchase records.*

This bill would require a ~~recycler or~~ core recycler, as defined, that accepts catalytic converters to maintain specified information regarding

the purchase and sale of the catalytic converters for not less than 2 years. *The bill would prohibit a core recycler from providing payment for a catalytic converter unless the payment is made by check, the check is mailed or provided no earlier than 3 days after the date of sale, unless the seller is a business, and the core recycler obtains a photograph or video of the seller and certain other identifying information, as specified, which would be required to be retained by the core recycler for 2 years. The recycler or bill would require a core recycler would be required to provide this information for inspection by local law enforcement upon demand. The bill would provide that a person who violates these requirements would be guilty of a misdemeanor and would impose specified punishment upon conviction. Because a violation of these requirements is a crime, the bill would impose a state-mandated local program.*

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1     ~~SECTION 1. Section 11542 is added to the Vehicle Code, to~~  
 2     ~~read:~~  
 3     ~~11542.—~~  
 4     ~~SECTION 1. Section 21610 is added to the Business and~~  
 5     ~~Professions Code, to read:~~  
 6     ~~21610. (a) For the purposes of this section, the following terms~~  
 7     ~~have the following meanings:~~  
 8     ~~(1) “Core term “core recycler” means a person or business,~~  
 9     ~~including a recycler or junk dealer, that buys used individual~~  
 10    ~~catalytic converters, transmissions, or other parts previously~~  
 11    ~~removed from a vehicle. A person or business that buys a vehicle~~  
 12    ~~that may contain these parts is not a core recycler.~~  
 13    ~~(2) “Recycler” has the same meaning as that set forth in~~  
 14    ~~subdivision (b) of Section 21605 of the Business and Professions~~  
 15    ~~Code.~~

(b) A ~~recycler or~~ core recycler who accepts a catalytic converter for recycling shall maintain a written record that contains all of the following:

(1) The place and date of each sale or purchase ~~in of a catalytic converter made in the~~ conduct of his or her business as a ~~recycler or~~ core recycler.

(2) The name, valid driver's license number, and state of issue, or California-issued identification number, of the seller of the catalytic converter and the vehicle license number, including state of issue of a motor vehicle used in transporting the catalytic converter to the ~~recycler's or~~ core recycler's place of business.

(3) A description of the catalytic converters purchased or sold, including the item type and quantity, and identification number, if any.

(4) A statement indicating either that the seller of the catalytic converter is the owner of the catalytic converter, or the name of the person from whom he or she has obtained the catalytic converter, including the business, if applicable, as shown on a signed transfer document.

(c) A ~~recycler or~~ core recycler engaged in the selling or shipping of used catalytic converters to other recyclers or smelters shall retain information on the sale that includes all of the following:

(1) The name and address of each person to whom the catalytic converter is sold or disposed of.

(2) The quantity of catalytic converters being sold or shipped.

(3) The amount that was paid for the catalytic converters sold in the transaction.

(4) The date of the transaction.

(d) A ~~recycler or~~ core recycler shall not provide payment for a catalytic converter unless all of the following requirements are met:

(1) The payment is made by check and provided to the seller by either of the following:

(A) (i) Except as provided in clause (ii), mailed to the seller at the address provided pursuant to paragraph (3).

(ii) For a seller that is a business, mailed to the seller's business address.

(B) (i) Except as provided in clause (ii), collected by the seller from the recycler on the third business day after the date of sale.

(ii) A seller that is a business may receive immediate payment.

(2) At the time of sale, the ~~recycler or~~ core recycler obtains a clear photograph or video of the seller.

(3) (A) Except as provided in subparagraph (B), the ~~recycler or~~ core recycler obtains a copy of the valid driver's license of the seller or the seller's agent containing a photograph and an address of the seller or the seller's agent, or a copy of a state or federal government issued identification card containing a photograph and an address of the seller or the seller's agent.

(B) If the seller prefers to have the check for the catalytic converter mailed to an alternative address, other than a post office box, the ~~recycler or~~ core recycler shall obtain a copy of a driver's license or identification card described in subparagraph (A) and a gas or electric utility bill addressed to the seller at the alternative address with a payment due date no more than two months prior to the date of sale. For the purpose of this subparagraph, "alternative address" means an address that is different from the address appearing on the seller's driver's license or identification card.

(4) The ~~recycler or~~ core recycler obtains a clear photograph or video of the catalytic converter being sold.

(e) A ~~recycler or~~ core recycler shall keep and maintain the information required pursuant to this section for not less than two years.

(f) A ~~recycler or~~ core recycler shall make the information required pursuant to this section available for inspection by local law enforcement upon demand.

(g) A person who makes, or causes to be made, a false or fictitious statement regarding any information required pursuant to this section is guilty of a misdemeanor.

(h) A person who violates the requirements of this section is guilty of a misdemeanor.

(i) Upon conviction, a person who knowingly and willfully violates the requirements of this section shall be punished as follows:

(1) For a first conviction, by a fine of one thousand dollars (\$1,000).

(2) (A) For a second conviction, by a fine of not less than two thousand dollars (\$2,000).

(B) In addition to the fine imposed pursuant to subparagraph (A), the court may order the defendant to cease engaging in the

1 business of a ~~recycler or~~ core recycler for a period not to exceed  
2 30 days.

3 (3) (A) For a third and subsequent conviction, by a fine of not  
4 less than four thousand dollars (\$4,000).

5 (B) In addition to the fine imposed pursuant to subparagraph  
6 (A), the court shall order the defendant to cease engaging in the  
7 business of a ~~recycler or~~ core recycler for a period not less than  
8 one year.

9 SEC. 2. No reimbursement is required by this act pursuant to  
10 Section 6 of Article XIII B of the California Constitution because  
11 the only costs that may be incurred by a local agency or school  
12 district will be incurred because this act creates a new crime or  
13 infraction, eliminates a crime or infraction, or changes the penalty  
14 for a crime or infraction, within the meaning of Section 17556 of  
15 the Government Code, or changes the definition of a crime within  
16 the meaning of Section 6 of Article XIII B of the California  
17 Constitution.