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State of Minnesota

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HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 3857

02/15/2024 Authored by Hollins
The bill was read for the first time and referred to the Committee on Commerce Finance and Policy
02/28/2024 Adoption of Report: Placed on the General Register
Read for the Second Time

1.1 A bill for an act
1.2 relating to public safety; providing technical amendments for scrap metal dealer
1.3 record-keeping and marking requirements for purchase or acquisition of catalytic
1.4 converters; amending Minnesota Statutes 2023 Supplement, section 325E.21,
1.5 subdivisions 1b, 11.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2023 Supplement, section 325E.21, subdivision 1b, is
1.8 amended to read:

1.9 Subd. 1b. Purchase or acquisition record required. (a) Every scrap metal dealer,
1.10 including an agent, employee, or representative of the dealer, shall create a permanent record
1.11 written in English, using an electronic record program at the time of each purchase or
1.12 acquisition of scrap metal or a motor vehicle. The record must include:

1.13 (1) a complete and accurate account or description, including the weight if customarily
1.14 purchased by weight, of the scrap metal or motor vehicle purchased or acquired;

1.15 (2) the date, time, and place of the receipt of the scrap metal or motor vehicle purchased
1.16 or acquired and a unique transaction identifier;

1.17 (3) a photocopy or electronic scan of the seller's proof of identification including the
1.18 identification number;

1.19 (4) the amount paid and the number of the check or electronic transfer used to purchase
1.20 or acquire the scrap metal or motor vehicle;

2.1 (5) the license plate number and description of the vehicle used by the person when
2.2 delivering the scrap metal or motor vehicle, including the vehicle make and model, and any
2.3 identifying marks on the vehicle, such as a business name, decals, or markings, if applicable;

2.4 (6) a statement signed by the seller, under penalty of perjury as provided in section
2.5 609.48, attesting that the scrap metal or motor vehicle is not stolen and is free of any liens
2.6 or encumbrances and the seller has the right to sell it;

2.7 (7) a copy of the receipt, which must include at least the following information: the name
2.8 and address of the dealer, the date and time the scrap metal or motor vehicle was received
2.9 by the dealer, an accurate description of the scrap metal or motor vehicle, and the amount
2.10 paid for the scrap metal or motor vehicle; and

2.11 ~~(8) in order to purchase or acquire a detached catalytic converter, the vehicle identification~~
2.12 ~~number of the car it was removed from or, as an alternative, any numbers, bar codes, stickers,~~
2.13 ~~or other unique markings, whether resulting from the pilot project created under subdivision~~
2.14 ~~2b or some other source. The alternative number must be under a numbering system that~~
2.15 ~~can be immediately linked to the vehicle identification number by law enforcement; and~~

2.16 ~~(9)~~ (8) the identity or identifier of the employee completing the transaction.

2.17 (b) The record, as well as the scrap metal or motor vehicle purchased or acquired, shall
2.18 at all reasonable times be open to the inspection of any properly identified law enforcement
2.19 officer.

2.20 (c) Except for the purchase or acquisition of detached catalytic converters or motor
2.21 vehicles, no record is required for property purchased or acquired from merchants,
2.22 manufacturers, salvage pools, insurance companies, rental car companies, financial
2.23 institutions, charities, dealers licensed under section 168.27, or wholesale dealers, having
2.24 an established place of business, or of any goods purchased or acquired at open sale from
2.25 any bankrupt stock, but a receipt as required under paragraph (a), clause (7), shall be obtained
2.26 and kept by the person, which must be shown upon demand to any properly identified law
2.27 enforcement officer.

2.28 (d) The dealer must provide a copy of the receipt required under paragraph (a), clause
2.29 (7), to the seller in every transaction.

2.30 (e) The commissioner of public safety and law enforcement agencies in the jurisdiction
2.31 where a dealer is located may conduct inspections and audits as necessary to ensure
2.32 compliance, refer violations to the city or county attorney for criminal prosecution, and
2.33 notify the registrar of motor vehicles.

3.1 (f) Except as otherwise provided in this section, a scrap metal dealer or the dealer's agent,
3.2 employee, or representative may not disclose personal information concerning a customer
3.3 without the customer's consent unless the disclosure is required by law or made in response
3.4 to a request from a law enforcement agency. A scrap metal dealer must implement reasonable
3.5 safeguards to protect the security of the personal information and prevent unauthorized
3.6 access to or disclosure of the information. For purposes of this paragraph, "personal
3.7 information" is any individually identifiable information gathered in connection with a
3.8 record under paragraph (a).

3.9 Sec. 2. Minnesota Statutes 2023 Supplement, section 325E.21, subdivision 11, is amended
3.10 to read:

3.11 Subd. 11. **Prohibition on possessing catalytic converters; exception.** (a) It is unlawful
3.12 for a person to possess a used catalytic converter that is not attached to a motor vehicle
3.13 except when:

3.14 (1) the converter is marked with the date the converter was removed from the vehicle
3.15 and the identification number of the vehicle from which the converter was removed or ~~an~~
3.16 ~~alternative number to the vehicle identification number~~, as an alternative to the vehicle
3.17 identification number, any numbers, bar codes, stickers, or other unique markings, whether
3.18 resulting from the pilot project created under subdivision 2b or some other source; or

3.19 (2) the converter has been EPA certified for reuse as a replacement part.

3.20 (b) If an alternative number to the vehicle identification number is used, it must be under
3.21 a numbering system that can be immediately linked to the vehicle identification number by
3.22 law enforcement. The marking of the vehicle identification or alternative number may be
3.23 made in any permanent manner, including but not limited to an engraving or use of permanent
3.24 ink. The marking must clearly and legibly indicate the date removed and the vehicle
3.25 identification number or the alternative number and the method by which law enforcement
3.26 can link the converter to the vehicle identification number.