

State of Arkansas
94th General Assembly
Regular Session, 2023

A Bill

HOUSE BILL 1365

By: Representative Holcomb
By: Senator Gilmore

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING RECORDS MAINTAINED
BY SCRAP METAL RECYCLERS; TO SPECIFY THE TYPE OF
PAYMENT FOR THE PURCHASE OF CATALYTIC CONVERTERS; AND
FOR OTHER PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING RECORDS
MAINTAINED BY SCRAP METAL RECYCLERS; AND
TO SPECIFY THE TYPE OF PAYMENT FOR THE
PURCHASE OF CATALYTIC CONVERTERS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 17-44-101(7), concerning the definition of
scrap metal, is amended to read as follows:

(7)(A) "Scrap metal" means bits and pieces of metal parts that:
(i) ~~may~~ May be combined together with bolts or
soldering; and
(ii) ~~can~~ Can be recycled when worn or superfluous.
(B) "Scrap metal" includes detached catalytic converters;

SECTION 2. Arkansas Code § 17-44-102, concerning the required records
of scrap metal recyclers, is amended to add an additional subsection to read
as follows:

(i)(1) A scrap metal recycler purchasing one (1) or more catalytic
converters from a seller shall:



1 (A) Issue payment to the seller for one (1) or more
 2 catalytic converters by mailing a nontransferable check, made payable to the
 3 seller, for the amount of the transaction to the street address or post
 4 office box provided by the seller under subdivision (d)(1) of this section;
 5 and

6 (B) Issue the check five (5) days after the date of the
 7 transaction.

8 (2) A seller may request the reissuance of a check from the
 9 scrap metal recycler pursuant to a transaction under subdivision (i)(1) of
 10 this section if:

11 (A) The check is:

12 (i) Not received within twenty (20) days of the
 13 transaction by the seller; or

14 (ii) Returned as undelivered or undeliverable and
 15 the seller provides a corrected address for the transaction record under
 16 subdivision (d)(1) of this section;

17 (B) The check has not been cashed or deposited into an
 18 account; and

19 (C) No law enforcement agency has contacted the scrap
 20 metal recycler regarding the transaction.

21
 22 SECTION 3. Arkansas Code § 17-44-109(a)(1), concerning a buyer of used
 23 catalytic converters, is amended to read as follows:

24 (a)(1) A buyer of a used catalytic converter ~~other than a scrap metal~~
 25 ~~recycler~~ shall file an electronic record of the used catalytic converter
 26 purchase.
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28 SECTION 4. Arkansas Code § 17-44-109(b), concerning a buyer of used
 29 catalytic converters, is amended to read as follows:

30 (b) The buyer of a used catalytic converter ~~other than a scrap metal~~
 31 ~~recycler~~:

32 (1) Shall maintain a receipt of the electronic record entry as a
 33 record of the purchase of a used catalytic converter; and

34 (2) Is subject to the penalties under § 17-44-102(f)(2)(B) for
 35 failure to file an electronic report of the purchase of a used catalytic
 36 converter.

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2 SECTION 5. Arkansas Code § 17-44-109(e)(1), concerning a buyer of used
3 catalytic converters, is amended to read as follows:

4 (e)(1) A buyer of a used catalytic converter ~~other than a scrap metal~~
5 ~~recycler must~~ shall be registered with the county sheriff.
6

7 SECTION 6. Arkansas Code § 17-44-109, concerning a buyer of used
8 catalytic converters, is amended to add an additional subsection to read as
9 follows:

10 (g)(1) A buyer of used catalytic converters shall:

11 (A) Issue payment to the seller for one (1) or more
12 catalytic converters by mailing a nontransferable check, made payable to the
13 seller, for the amount of the transaction to the street address or post
14 office box provided by the seller under subdivision (a)(4)(B) of this
15 section; and

16 (B) Issue the check five (5) days after the date of the
17 transaction.

18 (2) A seller may request the reissuance of a check from the
19 buyer pursuant to a transaction under subdivision (g)(1) of this section if:

20 (A) The check is:

21 (i) Not received within twenty (20) days of the
22 transaction by the seller; or

23 (ii) Returned as undelivered or undeliverable and
24 the seller provides a corrected address for the transaction record under
25 subdivision (a)(4)(B) of this section;

26 (B) The check has not been cashed or deposited into an
27 account; and

28 (C) No law enforcement agency has contacted the buyer
29 regarding the transaction.
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