

State of Arkansas

As Engrossed: H2/14/23

94th General Assembly

A Bill

Regular Session, 2023

HOUSE BILL 1365

By: Representatives Holcomb, Barker, Beaty Jr., M. Berry, Cozart, Eubanks, L. Fite, Fortner, J.

Mayberry, McClure, Richmond, Rye, Unger, Vaught, Watson, D. Whitaker, Wooten

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



1 converters from a seller shall:

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

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

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

12 (A) The check is:

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

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

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

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

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

25 (a)(1) A buyer of a used catalytic converter ~~other than a scrap metal~~
26 ~~recycler~~ shall file an electronic record of the used catalytic converter
27 purchase.
28

29 SECTION 4. Arkansas Code § 17-44-109(b), concerning a buyer of used
30 catalytic converters, is amended to read as follows:

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

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

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

1 converter.

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

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

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

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

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

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

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

21 (A) The check is:

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

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

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

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

31
32 /s/Holcomb