



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

HOUSE BILL NO. 1092

PRINTERS NO. 3144

PRIME SPONSOR: Kauffman

### COST / (SAVINGS)

FUND	FY 2022/23	FY 2023/24
General Fund	See Fiscal Impact	

**SUMMARY:** House Bill 1092 amends the Scrap Material Theft Prevention Act concerning indemnification requirements for sale of scrap materials to scrap processors and recycling facility operators. It would take effect in 60 days.

**ANALYSIS:** House Bill 1092 amends the Scrap Material Theft Prevention Act to require scrap processors and recycling facility operators to collect specified information from a seller when the scrap material bears a name or mark.

In addition to the information required under current law, if the transaction involves a catalytic converter, the scrap processor or recycling facility must collect the year, make, model and vehicle identification number of the vehicle from which the catalytic converter was removed, a photograph of the catalytic converter, and a photograph of the seller.

If a transaction involves a catalytic converter, the scrap processor or recycling facility operator must withhold payment to the seller for 48 hours. If a law enforcement hold is placed on the catalytic converter, the scrap processor or recycling facility operator must withhold payment to the seller until the hold is lifted by law enforcement or a court and must keep the catalytic converter intact and safe from alteration.

A scrap processor or recycling facility operator who fails to collect the required information is guilty of a misdemeanor of the third degree and upon conviction, must be sentenced to pay a fine of not less than \$5,000.

**FISCAL IMPACT:** Enactment of this legislation will have no adverse impact on Commonwealth funds. It is not known how many individuals may be convicted and fined for this offense, but the imposition of fines of not less than \$5,000 could result in additional revenue for Commonwealth governments.

**PREPARED BY:** Jeff Miller  
House Appropriations Committee (R)

**DATE:** September 13, 2022

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*