

**House Bill 4110**  
Senate Amendments  
Section-by-Section Analysis

HOUSE VERSION

No equivalent provision.

SECTION 1. Subchapter A-3, Chapter 1956, Occupations Code, is amended by adding Section 1956.0321 to read as follows:

Sec. 1956.0321. ADDITIONAL REQUIREMENTS REGARDING PURCHASE OF CATALYTIC CONVERTER. (a) In addition to the requirements of Section 1956.032, a person attempting to sell a catalytic converter to a metal recycling entity shall provide to the metal recycling entity:

(1) the year, make, model, and vehicle identification number for the vehicle from which the catalytic converter was removed; and

(2) a copy of the certificate of title or other documentation indicating that the person has an ownership interest in the vehicle described by Subdivision (1).

(b) A metal recycling entity may not purchase a catalytic converter from a seller who does not comply with the requirements of Subsection (a).

(c) A metal recycling entity may not purchase a catalytic converter unless the entity determines that the catalytic converter is consistent with the manufacturer's specifications for a catalytic converter from the vehicle for which the seller provided information under Subsection (a)(1).

(d) A metal recycling entity shall mark, in the manner prescribed by the commission by rule, each catalytic converter purchased by the entity with a unique number.

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SECTION 1. Section 1956.001, Occupations Code, is amended by adding Subdivision (2-a) to read as follows:

(2-a) "Catalytic converter" includes any material removed from a catalytic converter.

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(e) A metal recycling entity shall keep an accurate electronic record or an accurate and legible written record of each purchase of a catalytic converter made in the course of the entity's business. The record must be in English and include:  
(1) the information required by Section 1956.033;  
(2) the vehicle information provided under Subsection (a)(1);  
(3) a copy of the documentation described by Subsection (a)(2); and  
(4) the unique number marked on the catalytic converter under Subsection (d).

SECTION 2. Section 1956.033(b), Occupations Code, is amended to read as follows:

- (b) The record must be in English and include:
- (1) the place, date, and amount of the purchase;
  - (2) the name and address of the seller in possession of the regulated material purchased;
  - (3) the identifying number of the seller's personal identification document;
  - (4) a description made in accordance with the custom of the trade of the commodity type and quantity of regulated material purchased;
  - (5) the information required by Sections 1956.032(a)(2) and (3);
  - (6) as applicable:
    - (A) the identifying number of the seller's air conditioning and refrigeration contractor license displayed under Section 1956.032(a)(4)(A);
    - (B) a copy of the seller's air conditioning and refrigeration technician registration displayed under Section 1956.032(a)(4)(B);

SECTION 3. Section 1956.033(b), Occupations Code, is amended to read as follows:

- (b) The record must be in English and include:
- (1) the place, date, and amount of the purchase;
  - (2) the name and address of the seller in possession of the regulated material purchased;
  - (3) the identifying number of the seller's personal identification document;
  - (4) a description made in accordance with the custom of the trade of the commodity type and quantity of regulated material purchased;
  - (5) the information required by Sections 1956.032(a)(2) and (3);
  - (6) as applicable:
    - (A) the identifying number of the seller's air conditioning and refrigeration contractor license displayed under Section 1956.032(a)(4)(A);
    - (B) a copy of the seller's air conditioning and refrigeration technician registration displayed under Section 1956.032(a)(4)(B);

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- (C) a copy of the documentation described by Section 1956.032(a)(4)(C); or
- (D) a copy of the documentation described by Section 1956.032(a)(4)(D);
- (7) if applicable, a copy of the documentation described by Section 1956.032(a)(5);
- (8) a copy of the documentation described by Section 1956.032(g); ~~and~~
- (9) a copy of the documentation described by Section 1956.0381(b); and
- (10) a clear and legible thumbprint of the seller.

SECTION 3. Section 1956.0331, Occupations Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) If the regulated metal purchased is a catalytic converter, the photograph or recording under Subsection (a) must accurately depict:

- (1) each open end of the catalytic converter; and
- (2) all sides of the catalytic converter.

SECTION 4. Section 1956.034, Occupations Code, is amended to read as follows:

Sec. 1956.034. PRESERVATION OF RECORDS. A metal recycling entity shall preserve each record required by Sections 1956.032, 1956.0321, and 1956.033 until the second anniversary of the date the record was made. The records must be kept in an easily retrievable format and must be available

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- (C) a copy of the documentation described by Section 1956.032(a)(4)(C); or
- (D) a copy of the documentation described by Section 1956.032(a)(4)(D);
- (7) if applicable, a copy of the documentation described by Section 1956.032(a)(5);
- (8) a copy of the documentation described by Section 1956.032(g); ~~and~~
- (9) a copy of the documentation described by Section 1956.0381(b); and
- (10) if the regulated material purchased is a catalytic converter, a clear and legible thumbprint of the seller unless the seller presents to the metal recycling entity a valid cash transaction card issued under Section 1956.0382.

~~No equivalent provision.~~

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for inspection as provided by Section 1956.035 not later than 72 hours after the time of purchase.

SECTION 5. Section 1956.035(a), Occupations Code, is amended to read as follows:

(a) On request, a metal recycling entity shall permit a peace officer of this state, a representative of the department, or a representative of a county, municipality, or other political subdivision that issues a license or permit under Section 1956.003(b) to inspect, during the entity's usual business hours:

- (1) a record required by Section 1956.0321 or 1956.033;
- (2) a digital photograph or video recording required by Section 1956.0331;
- (3) regulated material in the entity's possession; or
- (4) an application for a cash transaction card submitted to the entity.

SECTION 6. Section 1956.036(a), Occupations Code, is amended to read as follows:

(a) Except as provided by Subsections (b) and (d), not later than the close of business on a metal recycling entity's second working day after the date of the purchase or other acquisition of material for which a record is required under Section 1956.0321 or 1956.033, the entity shall send an electronic transaction report to the department via the department's Internet website. Except as provided by Subsection (d-1), the report must contain the information required to be recorded under Sections 1956.0321 and [Section] 1956.033.

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SECTION 7. Section 1956.037(a), Occupations Code, is amended to read as follows:

(a) A metal recycling entity may not dispose of, process, sell, or remove from the premises an item of regulated metal unless:

(1) the entity acquired the item more than:

(A) eight days, excluding weekends and holidays, before the disposal, processing, sale, or removal, if the item is a cemetery vase, receptacle, or memorial made from a regulated material other than aluminum material;

(B) five days, excluding weekends and holidays, before the disposal, processing, sale, or removal, if the item is a catalytic converter; or

(C) ~~(B)~~ 72 hours, excluding weekends and holidays, before the disposal, processing, sale, or removal, if the item is not an item described by Paragraph (A) or (B); or

(2) the entity purchased the item from a manufacturing, industrial, commercial, retail, or other seller that sells regulated material in the ordinary course of its business.

SECTION 8. Section 1956.0381, Occupations Code, is amended by adding Subsection (c) to read as follows:

(c) Notwithstanding Subsection (a), a metal recycling entity may not pay a seller more than \$25 in cash for a purchase of regulated metal.

SECTION 9. Sections 1956.040(a) and (b-1), Occupations Code, are amended to read as follows:

(a) A person commits an offense if the person knowingly

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SECTION 7. Same as House version.

No equivalent provision.

SECTION 8. Section 1956.040, Occupations Code, is amended by amending Subsections (a) and (b-1) and adding Subsection (b-2) to read as follows:

(a) A person commits an offense if the person knowingly

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violates Section 1956.038. An offense under this subsection is a state jail felony [~~Class A misdemeanor~~] unless it is shown on trial of the offense that the person has previously been convicted of a violation of this subchapter, in which event the offense is a state jail felony of the third degree.

(b-1) An offense under Subsection (b) is a state jail felony [~~Class A misdemeanor~~] unless it is shown on trial of the offense that the person has previously been convicted under Subsection (b), in which event the offense is a felony of the third degree [~~state jail felony~~].

SECTION 10. Subchapter A, Chapter 2305, Occupations Code, is amended by adding Section 2305.0051 to read as follows:

Sec. 2305.0051. RECORDS RELATED TO CATALYTIC CONVERTERS. (a) The owner of a garage or repair shop that sells to a metal recycling entity registered under Chapter 1956 a catalytic converter that the person removed in connection with a motor vehicle repair shall maintain a record

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violates Section 1956.038. Except as otherwise provided by this subsection, an [~~An~~] offense under this subsection is a Class A misdemeanor unless it is shown on trial of the offense that the person has previously been convicted of a violation of this subchapter, in which event the offense is a state jail felony. An offense under this subsection involving a catalytic converter is a state jail felony unless it is shown on trial of the offense that the person has previously been convicted of a violation of this subchapter involving a catalytic converter, in which event the offense is a felony of the third degree.

(b-1) Except as otherwise provided by Subsection (b-2), an [~~An~~] offense under Subsection (b) is a Class A misdemeanor unless it is shown on trial of the offense that the person has previously been convicted under Subsection (b), in which event the offense is a state jail felony.

(b-2) An offense under Subsection (b)(1) in which the regulated material purchased was a catalytic converter is a state jail felony unless it is shown on trial of the offense that the person has previously been convicted of an offense under Subsection (b)(1) in which the regulated material purchased was a catalytic converter, in which event the offense is a felony of the third degree.

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of all repairs for the vehicle that includes:

(1) the name and address of the vehicle's owner; and

(2) copies of all related invoices.

(b) Notwithstanding Section 2305.006(a), a record required by this section shall be kept until at least the second anniversary of the date of the repair.

SECTION 11. The change in law made by this Act applies only to an offense committed on or after the effective date of this Act. An offense committed before the effective date of this Act is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

SECTION 12. This Act takes effect September 1, 2021.

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SECTION 10. Same as House version.

SECTION 11. Same as House version.

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