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OHIO LEGISLATIVE SERVICE COMMISSION

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Substitute Bill Comparative Synopsis

Sub. H.B. 408

134th General Assembly

House Criminal Justice

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This table summarizes how the latest substitute version of the bill differs from the immediately preceding version. It addresses only the topics on which the two versions differ substantively. It does not list topics on which the two bills are substantively the same.

Previous Version (As Introduced)	Latest Version (I_134_1587-9)
Director of Public Safety to investigate registrants and licensees	
No provision.	Allows the Director of Public Safety to investigate a scrap metal dealer, bulk merchandise container dealer, a person (other than a licensed motor vehicle dealer) who receives a used catalytic converter in the ordinary course of business, a person selling used catalytic converters in bulk, and any employee, officer, or agent of any of the foregoing (R.C. 4737.046(B)).

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No provision.	As part of an investigation, allows the Director to search the person's premises during the person's regular work hours or between the hours of 8:00 a.m. and 5:00 p.m. Monday through Friday <i>(R.C. 4737.046(B))</i> .
No provision.	Permits the Director to commence an investigation only if both of the following conditions are met: <ul style="list-style-type: none"> <li data-bbox="1108 542 1902 748">▪ The Director receives a verified written complaint indicating that the person is, has been, or will be in violation of any provision of the scrap metal dealer, bulk merchandise container dealer, or bulk seller of used catalytic converters law (dealer or bulk sales law), and the complaint is supported by evidence that is submitted with it. <li data-bbox="1108 773 1902 873">▪ The Director determines that a prima-facie case exists that the person is, has been, or will be in violation of any provision of the dealer or bulk sales law. <i>(R.C. 4737.046(C).)</i>
No provision.	Allows the Director to compel witnesses by subpoena to appear and testify in relation to, and may compel by subpoena duces tecum the production of any books, papers, documents, or other records pertaining to, an investigation <i>(R.C. 4737.046(D)(1))</i> .
No provision.	If a person does not comply with a subpoena or subpoena duces tecum, permits the Director to apply to the court of common pleas of Franklin County or of the county in which the person conducts business for an order compelling the person to comply with the subpoena or subpoena duces tecum or, for failure to do so, be held in contempt of court <i>(R.C. 4737.046(D)(2))</i> .

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No provision.	If the Director finds a violation, requires the Director to suspend the person's registration or license and reinstate it upon evidence that the person has remedied the violation (<i>R.C. 4737.046(E)</i>).
No provision.	Requires the Director to revoke a registration or license if the Director finds a subsequent violation in any subsequent investigation (<i>R.C. 4737.046(E)</i>).
No provision.	Prohibits a person from undertaking any activities that require registration or licensure following a suspension or revocation (<i>R.C. 4737.046(F)(1)</i>).
No provision.	Following a suspension or revocation, requires the Director to conduct a follow-up investigation to determine whether the person has violated the above provision. If the person has, requires the Director to seek an injunction from the court of common pleas of Franklin County or of the county in which the person conducts business ordering the person to cease the violation. (<i>R.C. 4737.046(F)(2)</i> .)
No provision.	<p>Requires the Director to impose a civil penalty of \$500 on a scrap metal dealer or bulk merchandise dealer who does not comply with the electronic reporting requirements, and an additional \$500 for each day the violation continues (<i>R.C. 4737.04(E)(6)</i>).</p> <p>Requires the Director to suspend the persons scrap metal dealer or bulk merchandise dealer license for noncompliance with the electronic reporting requirement, until the Director determines that the person is likely to comply (<i>R.C. 4737.04(E)(7)</i>).</p>

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Requires scrap metal dealer to report transactions involving catalytic converters immediately upon completion of the purchase or receipt of the catalytic converter <i>(R.C. 4737.04(E)(1)(c))</i> .	Requires reporting once a day as part of the existing daily electronic report <i>(R.C. 4737.04(E)(1)(b))</i> .
Director of Public Safety to investigate unregistered and unlicensed persons	
No provision.	Allows the Director of Public Safety to investigate, on the Director's own initiative, the actions or proposed actions of a person who is not registered or licensed under the dealer or bulk sales law and who appears to be acting as a scrap metal dealer, bulk merchandise container dealer, or seller of used catalytic converters in bulk <i>(R.C. 4737.046(G)(1))</i> .
No provision.	Requires the Director to investigate such a person if a verified written complaint is filed indicating that a person was, is, or will be acting as a scrap metal dealer, bulk merchandise container dealer, or seller of used catalytic converters in bulk but is not registered or licensed as such, the complaint is supported by evidence that is submitted with it, and the Director determines that a prima-facie case exists that the person was, is, or will be acting in the alleged manner <i>(R.C. 4737.046(G)(1))</i> .
No provision.	<p>If, following an investigation, the Director finds that a person acted as a scrap metal dealer, bulk merchandise container dealer, or seller of used catalytic converters in bulk without a registration or license, requires the Director to do both of the following:</p> <ul style="list-style-type: none"> Seek an injunction from the court of common pleas of Franklin County or of the county in which the person conducts business ordering the person to cease the violation; ▪ Impose a civil penalty of \$1,000. Specifies that each day the violation occurred or continues to occur constitutes a separate

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No provision.	violation and is subject to a separate fine. (R.C. 4737.046(G)(2).). Requires the Director to deposit all fines collected pursuant to the above provision into the state treasury to the credit of the Department of Public Safety Operating Fund to be used to conduct investigations authorized under the bill (R.C. 4737.046(G)(3)).
No provision.	If a person fails to pay a penalty assessed above with the time prescribed by the Director, requires the Director to submit to the Attorney General the person's name and the amount of the penalty. In that case, requires the Attorney General to collect the penalty. In addition to the penalty, allows the Attorney General to assess, and requires the person to pay, a fee covering the costs of collecting the penalty. (R.C. 4737.046(G)(4).)
Director of Public Safety duties	
No provision.	Requires the Director of Public Safety to provide a standardized inspection report or form to local law enforcement to ensure that the inspection process is streamlined, practical, and fair (R.C. 4737.22(A)(5)).
No provision.	Requires the Director of Public Safety to prepare an annual report summarizing all inspection reports for the previous year and make the report available to the public on an annual basis via the Department's website (R.C. 4737.22(A)(6)).

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No provision.	Requires the Director of Public Safety to establish streamline procedures for receiving information regarding noncompliance with this chapter relating to scrap metal dealing and how this information will be forwarded to the proper legal authorities <i>(R.C. 4737.22(A)(7))</i> .
No provision.	If H.R. 6394 of the 117 th Congress or similar legislation becomes law and if the Director determines that adopting a national standard would be in the interest of citizens of this state, permits the Director to adopt a rule that prohibits the purchase of a catalytic converter with a stamped vehicle identification number that does not match the vehicle identification number of the title of the motor vehicle. <i>(R.C. 4737.22(B))</i> .
Licenses and registrations	
Requires a license for the bulk sale of catalytic converters <i>(R.C. 4737.20 through 4737.26)</i> .	Requires a license for the bulk sale of <i>used</i> catalytic converters <i>(R.C. 4737.20 through 4737.25)</i> .
No provision.	Makes any refusal to renew and any denial, suspension, or revocation of any registration or license required under the scrap metal dealer, bulk merchandise container dealer, and bulk sales license laws subject to the Ohio Administrative Procedure Act <i>(R.C. 4737.046(I))</i> .
No provision.	Requires scrap metal dealers, bulk merchandise container dealers, and bulk sellers of used catalytic converters to post a copy of their registration or license in a conspicuous place, subject to a \$500 fine imposed by the Director of Public Safety and deposited into the state treasury to the credit of the Department of Public Safety Operating Fund <i>(R.C. 4717.04(G)(3)(a) and (b), 4737.04(G)(3)(a), and 4737.25(D)(1) and (2))</i> .
No provision.	Prohibits a person from doing any of the following when applying for a registration, licensure, or renewal under the scrap metal dealer, bulk

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<p>No provision.</p> <p>Retains the current-law registration fee for scrap metal dealers and bulk merchandise container dealers at \$200 and sets the fee for the newly created bulk sales licenses at \$100 (<i>R.C. 4737.045(A)(6) and 4737.24</i>).</p> <p>Requires the Director of Public Safety to adjust the bulk sales license fee as necessary in order to provide for the expenses associated with carrying out the bulk sales license provisions (<i>R.C. 4737.24</i>).</p>	<p>merchandise container dealer, or bulk sales license law:</p> <ul style="list-style-type: none"> ▪ Engage in fraud; ▪ Knowingly provide false information; ▪ Knowingly fail to disclose relevant information that would result in a denial of or nonrenewal of a registration or license (<i>R.C. 4737.046(H)(1)</i>). <p>Requires the Director of Public Safety to impose a \$500 fine on a person who violates the above provision, to be deposited into the state treasury to the credit of the Department of Public Safety Operating Fund (<i>R.C. 4737.046(H)(2)</i>).</p> <p>Increases the fees by \$100 (<i>R.C. 4737.045(A)(6) and 4737.24</i>).</p> <p>No provision.</p>
Law enforcement	
<p>No provision.</p>	<p>Requires a law enforcement agency to submit all records of any investigation into a scrap metal dealer, bulk merchandise container dealer, or holder of a bulk used catalytic converter sales license to the registry (<i>R.C. 4717.04(F)(3)</i>).</p>
Distribution of money collected from criminal fines	
<p>No provision.</p>	<p>Requires the clerk of the court to pay the fines received from those who violate the bill's provisions to the county, township, municipal</p>

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	corporation, park district, or state law enforcement agencies that primarily were responsible for or involved in making the arrest of, and in prosecuting, the offender (<i>R.C. 2913.51(F)(4)</i>).
Junk yards	
Prohibits the chief executive officer of the municipality or the county auditor of the county in which a junk yard is located from issuing a junk yard license or to renew the license of an owner who has been convicted of or pleaded guilty to a violation of the bill's provisions relating to catalytic converters (<i>R.C. 4737.10(H)(1)</i>).	No provision.
Requires the chief executive officer of the municipality or the county auditor of the county in which a junk yard is located to revoke the license of a junk yard owner who has been convicted of or pleaded guilty to a violation of the bill's provisions relating to catalytic converters (<i>R.C. 4737.10(H)(2)</i>).	No provision.
Motor vehicle salvage dealers	
No provision.	Prohibits a licensed motor vehicle salvage dealer from purchasing or accepting individual motor vehicle parts, such as a catalytic converter (<i>R.C. 4738.03</i>).
Public disclosures, civil penalties, and records	
No provision.	Requires the Director of Public Safety record information on all non-investigative visits made by the Director to a scrap metal dealer, bulk merchandise container dealer, or holder of a bulk used catalytic converter sales license. Requires the information to be reported to the public on a quarterly basis via the Department of Commerce's website (<i>R.C. 4737.046(J)</i>).

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No provision.	Requires the Director to make available the “do-not-buy” lists that law enforcement agencies submit for inclusion in the CIMS as a single list <i>(R.C. 4737.045(E)(1)(e))</i> .
No provision.	Requires the Director to impose a civil penalty of \$500 on a person who violates the above provision. If the violation continues, requires the Director to impose an additional fine of \$500 for each day the violation continues. Requires the Director to deposit the fine into the state treasury to the credit of the Department of Public Safety Operating Fund. <i>(R.C. 4737.04(E)(6).)</i>
No provision.	In addition to the above penalty, requires the Director to suspend the registration of a person who violates the data submission requirements above until such time as the Director determines that the person is likely to comply <i>(R.C. 4737.04(E)(7))</i> .
No provision.	Requires a scrap metal dealer to retain a copy of the check used to pay for a special purchase article in the daily transaction records the person is required to maintain and submit to the Director of Public Safety as part of its daily electronic report <i>(R.C. 4737.04(C) and 4737.041(A)(4))</i> .
Exemptions	
No provision.	Specifies that the compliance and bulk sales licensure exemptions only apply when a business sells or receives used catalytic converters in the ordinary course of business typical for that type of business <i>(R.C. 4737.041(B) and 4737.21(B))</i> .

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<p>Exempts the following from the bill’s bulk sale licensure requirements: scrap metal dealers, bulk merchandise container dealers, junk yard operators, motor vehicle salvage dealers, salvage motor vehicle auctions, salvage motor vehicle pools, and motor vehicle collision repair operators (<i>R.C. 4737.041(B) and 4737.21(B)</i>).</p> <p>No provision.</p>	<p>Same, but adds motor vehicle dealers (<i>R.C. 4737.041(B) and 4737.21(B)</i>).</p> <p>Exempts licensed motor vehicle dealers from the bill’s requirements to comply with the scrap metal dealer law when receiving catalytic converters (<i>R.C. 4737.041(B)</i>).</p>
Proof of ownership of catalytic converter	
<p>No provision.</p>	<p>Specifies that when purchasing a catalytic converter, the proof of ownership a buyer must obtain from the seller consists of the following:</p> <ul style="list-style-type: none"> ▪ If the seller owns the car, the car’s title or registration along with a repair receipt indicating replacement of the catalytic converter and the car’s make, model, year, and vehicle identification number; ▪ If the seller is a motor vehicle collision repair operator, the operator’s registration certificate along with a receipt indicating replacement of the catalytic converter and the make, model, year, and vehicle identification number (<i>R.C. 4737.041(A)(3)</i>).