

Senate Bill 40

By: Senators Hatchett of the 50th, Gooch of the 51st, Anavitarte of the 31st and Robertson of the 29th

AS PASSED

A BILL TO BE ENTITLED

AN ACT

1 To amend Article 14 of Chapter 1 of Title 10 and Article 2 of Chapter 8 of Title 12 of the
2 Official Code of Georgia Annotated, relating to secondary metals recyclers and solid waste
3 management, respectively, so as to revise provisions relating to certain materials; to provide
4 for the applicability of the definition of the term "used, detached catalytic converters" to said
5 article; to remove the exception for used, detached catalytic converters from the application
6 of said article; to provide for certain registration requirements for secondary metals recyclers;
7 to provide for the use of certain registration fees; to provide for records and reporting; to
8 allow certain caps for secondary metals recyclers with respect to payments to and number
9 of transactions with sellers to remain in effect after January 1, 2026; to revise provisions
10 relating to surcharges on certain waste; to provide for related matters; to provide for an
11 effective date and applicability; to repeal conflicting laws; and for other purposes.

12 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

13 **SECTION 1.**

14 Article 14 of Chapter 1 of Title 10 of the Official Code of Georgia Annotated, relating to
15 secondary metals recyclers, is amended by adding a new paragraph to Code Section
16 10-1-350, relating to definitions, to read as follows:

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17 "(18.1) 'Used, detached catalytic converter' means motor vehicle exhaust system parts
18 that are used for controlling the exhaust emissions from motor vehicles and that contain
19 a catalyst metal, but shall not include a catalytic converter that has been tested, certified,
20 and labeled for reuse, in accordance with applicable federal Clean Air Act regulations,
21 as may from time to time be amended, or other applicable federal laws or regulations."

22 SECTION 2.

23 Said article is further amended by revising subsection (d) of Code Section 10-1-351, relating
24 to verifiable documentation required and unlawful activities pertaining to used, detached
25 catalytic converters, as follows:

26 ~~"(d)(1) As used in this subsection, the term 'used, detached catalytic converter' means~~
27 ~~motor vehicle exhaust system parts that are used for controlling the exhaust emissions~~
28 ~~from motor vehicles and that contain a catalyst metal, but shall not include a catalytic~~
29 ~~converter that has been tested, certified, and labeled for reuse, in accordance with~~
30 ~~applicable federal Clean Air Act regulations, as may from time to time be amended.~~

31 ~~(2)~~ It shall be unlawful for any person to purchase or to solicit or advertise for the
32 purchase of a used, detached catalytic converter, or any nonferrous metal parts of a
33 catalytic converter, unless such person is a registered secondary metals recycler in
34 accordance with Code Section 10-1-359.1 and in full compliance with all requirements
35 prescribed by this article.

36 ~~(3)~~(2) It shall be unlawful for any person to purchase, possess, transport, or sell a used,
37 detached catalytic converter, or any nonferrous metal parts of a catalytic converter, unless
38 such person is authorized to purchase, possess, transport, or sell catalytic converters
39 pursuant to subsection (c) of this Code section and is in possession of the licenses,
40 registrations, or other documentation required by subsection (c) of this Code section.

41 ~~(4)~~(3) Each unlawfully possessed or obtained used, detached catalytic converter shall be
42 considered a separate offense."

SECTION 3.

Said article is further amended by revising Code Section 10-1-355, relating to conditions and limitations on payments for regulated metal property and exception for transaction between business entities, in effect on January 1, 2026, as follows:

"10-1-355.

(a) A secondary metals recycler shall pay only by check, electronic funds transfer, cash, or voucher for regulated metal property and shall make any such payment as specifically provided for in this Code section.

(b) Any check, electronic funds transfer, or voucher shall be payable only to the person recorded as the seller of the regulated metal property to the secondary metals recycler.

(c) Any voucher shall be provided to the seller at the time of the purchase transaction or mailed to the seller at the address indicated on the personal identification card of the seller presented at the time of such transaction. If the voucher is provided to the seller at the time of the purchase transaction and not mailed to the seller, the secondary metals recycler shall not redeem the voucher for three days from the date of the purchase transaction. The voucher shall include the date of purchase, name of the seller, the amount paid for the regulated metal property, a detailed description of the regulated metal property purchased, information as to whether the voucher was mailed or provided at the time of the purchase transaction, the first date on which the voucher may be redeemed, and the date on which the voucher expires. The voucher may only be redeemed for cash by the person whose name appears on the voucher as the seller or by such person's heirs or legal representative. If a voucher is not redeemed by the person whose name appears on the voucher as the seller or by such person's heirs or legal representative within six months of the date of the transaction, the voucher shall expire and the secondary metals recycler shall not be required to honor the voucher after the expiration date.

(d) No secondary metals recycler shall:

(1) Pay to any seller more than \$100.00 in cash for any transaction or complete more than two transactions per seller, per day, per registered secondary metals recycler location;

(2) Pay cash to any seller for used, detached catalytic converters or coils;

(3) Pay cash to any seller for used utility wire;

(4) Pay cash to any seller for used communications copper;

(5) Pay cash to any seller for copper wire; or

(6) Pay cash to any seller for a battery.

(e) A secondary metals recycler shall be prohibited from: (1) redeeming or cashing any check or electronic funds transfer paid to a seller for regulated metal property; and (2) providing or permitting any mechanism on the premises of the secondary metals recycler for the redemption or cashing of any check or electronic funds transfer.

~~(e)~~(f) The provisions of this Code section shall not apply to any transaction between business entities."

SECTION 4.

Said article is further amended by revising Code Section 10-1-358, relating to purchases of regulated metal property exempted from application of article, as follows:

"10-1-358.

This article shall not apply to purchases of regulated metal property, ~~other than used, detached catalytic converters,~~ from:

(1) Organizations, corporations, or associations registered with the state as charitable, philanthropic, religious, fraternal, civic, patriotic, social, or ~~school-sponsored~~ school sponsored organizations or associations or from any nonprofit corporations or associations;

(2) A law enforcement officer acting in an official capacity;

- 94 (3) A trustee in bankruptcy, executor, administrator, or receiver who has presented proof
95 of such status to the secondary metals recycler;
- 96 (4) Any public official acting under judicial process or authority who has presented proof
97 of such status to the secondary metals recycler;
- 98 (5) A sale on the execution, or by virtue, of any process issued by a court if proof thereof
99 has been presented to the secondary metals recycler; or
- 100 (6) A manufacturing, industrial, or other commercial vendor that generates and sells
101 regulated metal property in the ordinary course of its business, provided that such vendor
102 is not a secondary metals recycler."

103 **SECTION 5.**

104 Said article is further amended by revising subsection (c) of Code Section 10-1-359.1,
105 relating to registration of secondary metals recycler, electronic data base, authority of sheriff,
106 and penalty for violation, as follows:

107 "(c) The sheriff shall be authorized to:

- 108 (1) Assess and require payment of \$200.00 for a new registration and an annual
109 registration renewal for a secondary metals recycler;
- 110 (2) If applicable in the jurisdiction where such secondary metals recycler is located,
111 require ~~a~~ the secondary metals recycler to submit a current and valid business license in
112 the county or municipality that is associated with the address on the registration form
113 prior to approving the registration or registration renewal;
- 114 (3) Require the registered agent of a secondary metals recycler to submit to a criminal
115 background check and fingerprinting for a new registration with the costs paid by the
116 secondary metals recycler in an amount not to exceed \$75.00;
- 117 (4) Deny the new registration or registration renewal of a secondary metals recycler if
118 such person's registration has been revoked in another Georgia county, information
119 submitted on the registration form has been determined to be invalid or false, or it is

determined by the criminal background check that such person has been convicted of a felony offense under this article ~~more than three times~~ in the previous five years;

(5) Revoke the registration of a secondary metals recycler's registered agent if the registered agent has been convicted of a felony offense in the previous five years under this article while serving as a registered agent;

(6) Require secondary metals recyclers to provide on the registration form the customer identification number for the current data base contractor maintained by the Georgia Bureau of Investigation;

(7) Require a secondary metals recycler to submit a signed and sworn statement that such person has not had such secondary metals recycler's registration or business license revoked during the previous year and that the registered agent has not been convicted of a ~~metal theft~~ felony offense ~~in the previous year~~ under this article while serving as a registered agent in the previous five years;

(8) Delegate to personnel in the sheriff's office the registration of secondary metals recyclers and entering into the data base of the records of such registrations; and

(9) Remit to the Georgia Sheriffs' Association \$100.00 of each \$200.00 registration fee and remit to the general fund of the county treasury the remaining \$100.00 of each registration fee ~~Enter into contracts with the governing authority of a county, municipality, or consolidated government for such governing authority to provide for the registration of secondary metals recyclers and the entering into the data base~~ Georgia Sheriffs' Association Secondary Metals Recycler Registry of the records of such registrations for use by other law enforcement agencies, ~~or by~~ staff of the governing authority, or the public. ~~Any such contract shall provide for reimbursement to such governing authority for the registrations or entry of the records of such registrations into the data base."~~

SECTION 6.

Said article is further amended by revising Code Section 10-1-359.2, relating to penalties for violations, as follows:

"10-1-359.2.

(a) Except as provided for in subsection (e) of Code Section 10-1-359.1, any person who buys or sells regulated metal property in violation of any provision of this article:

(1) For a first offense, shall be guilty of a misdemeanor;

(2) For a second offense, shall be guilty of a misdemeanor of a high and aggravated nature; and

(3) For a third or subsequent offense or when such regulated metal property is unlawfully obtained and results in property damage exceeding the aggregate amount of \$1,500.00, shall be guilty of a felony and, upon conviction thereof, shall be punished by imprisonment for not less than one nor more than ten years.

Each unlawfully possessed or obtained used, detached catalytic converter, ~~as such term is defined in subsection (d) of Code Section 10-1-351~~, shall be considered a separate offense under this Code section.

(b) Any person who buys or sells regulated metal property in violation of any provision of this article shall be liable in a civil action to any person who was the victim of a crime involving such regulated metal property for the full value of the regulated metal property, any repairs and related expenses incurred as a result of such crime, litigation expenses, and reasonable attorneys' fees."

SECTION 7.

Said article is further amended by revising paragraph (3) of subsection (b) of Code Section 10-1-359.3, relating to forfeiture and items declared contraband, as follows:

"(3) Any used, detached catalytic converter, ~~as such term is defined in subsection (d) of Code Section 10-1-351~~, possessed in violation of subsection (d) of Code Section

171 10-1-351 and any vehicle used in the transportation of such used, detached catalytic
172 converter, provided that any civil forfeiture proceedings for any vehicle seized pursuant
173 to this subsection, including the reporting requirements set forth in Code Section 9-16-7,
174 shall be stayed during the pendency of criminal proceedings unless otherwise agreed to
175 by the owner or interest holder of such vehicle."

176 **SECTION 8.**

177 Said article is further amended by revising paragraph (2) of subsection (a) of Code
178 Section 10-1-359.5, relating to required information from secondary metals recyclers and
179 role of Georgia Bureau of Investigation, as follows:

180 "(2) Notwithstanding any provision of Code Section 10-1-358 to the contrary, each ~~Each~~
181 secondary metals recycler shall maintain, or cause to be maintained, a record, and shall
182 electronically submit to the Georgia Bureau of Investigation a such record, of the receipt
183 of each purchase of a used, detached catalytic converter ~~as defined in subsection (d) of~~
184 ~~Code Section 10-1-351, or any nonferrous metal parts of a catalytic converter, from an~~
185 ~~industrial account~~ a manufacturing, industrial, or other commercial vendor that generates
186 and sells used, detached catalytic converters, or any nonferrous metal parts of a catalytic
187 converter, in the ordinary course of its business or a secondary metals recycler. Such
188 report shall include:

- 189 (A) The name and address of the seller;
190 (B) The date, time, and place of the transaction; and
191 (C) The number of used, detached catalytic converters or pounds of catalyst metal
192 purchased."

193 **SECTION 9.**

194 Article 2 of Chapter 8 of Title 12 of the Official Code of Georgia Annotated, relating to solid
195 waste management, is amended in Code Section 12-8-39, relating to cost reimbursement

196 fees, surcharges, exempt contracts, and reporting, by revising subparagraph (d)(1)(B) as
197 follows:

198 "(B) When a municipal solid waste disposal facility is operated by private enterprise,
199 the host local government is authorized and required to impose a surcharge of \$1.00 per
200 ton or volume equivalent for construction or demolition waste, ~~or inert waste, or~~
201 nonmetallic waste resulting from the shredding of motor vehicles or household
202 appliances, in addition to any other negotiated charges or fees which shall be imposed
203 by and paid to the host local government for the facility."

204 SECTION 10.

205 This Act shall become effective on July 1, 2025, and shall apply to all transactions occurring
206 on and after such date.

207 SECTION 11.

208 All laws and parts of laws in conflict with this Act are repealed.