

# National Automobile Dealers Association



# Protect Consumers and Small Businesses from Catalytic Converter Theft Cosponsor the Bipartisan PART Act (S. 2238)

#### **ISSUE**

Catalytic converters are attractive targets for thieves due to their precious metals, such as rhodium, platinum and palladium. Criminals can easily steal catalytic converters from unattended vehicles, and since catalytic converters are not readily traceable, there is a lucrative market for these stolen parts. These thefts are costing millions of dollars to businesses and individual vehicle owners alike and continue to be a significant problem. Members of Congress should cosponsor the "Preventing Auto Recycling Theft Act" (S. 2238), which would help law enforcement combat catalytic converter theft by marking catalytic converters and creating a more transparent market that deters their theft.

#### **BACKGROUND**

As required by the Clean Air Act, catalytic converters reduce toxic emissions from internal combustion engine vehicles using precious metals to remove toxic elements from the exhaust gases. The price of these precious metals rose sharply during the pandemic, contributing to a sharp increase in theft. Stolen catalytic converters can garner anywhere from \$20 to \$350 on the black market, with the replacement cost to vehicle owners averaging over \$2,500. Stolen catalytic converters are difficult to trace since they lack identification numbers tied to the vehicle, which hampers law enforcement from proving ownership and prosecuting theft.

Thefts have also turned <u>violent</u>, with high-profile <u>tragedies</u> underscoring the urgency of addressing this issue. While several states, such as Minnesota and North Carolina, have enacted laws to address the issue, this crime frequently involves trafficking stolen parts across state lines and a federal framework is needed to aid the efforts of local law enforcement.

The PART Act addresses this crime by: 1) requiring new vehicles to have unique identifying numbers, a VIN or other traceable number, stamped on catalytic converters at the time of assembly; 2) establishing a \$7 million grant program to mark catalytic converters of vehicles already on the road at no cost to vehicle owners; 3) increasing record keeping requirements for purchasers; and 4) establishing a federal criminal penalty for the theft, sale, trafficking or known purchase of stolen catalytic converters of up to five years.

## **KEY POINTS**

- Catalytic converter theft skyrocketed after the pandemic due to the precious metals contained in each device.
- The PART Act would provide law enforcement the tools to trace stolen catalytic converters back to their source. Catalytic converters are not one of the 18 vehicle parts required to be marked with a VIN or number traceable to a VIN. Law enforcement has stated that including such tracing in the legislation is critical to help deter the theft and trafficking of stolen catalytic converters since it would make it easier to prosecute criminals.
- The PART Act provides a national framework to help law enforcement combat catalytic converter theft. Since this crime frequently involves trafficking stolen parts across state lines, a federal standard is needed to help law enforcement.

## **STATUS**

The PART Act (S. 2238) was reintroduced in the Senate by Sens. Amy Klobuchar (D-Minn.) and Bernie Moreno (R-Ohio). Reps. Jim Baird (R-Ind.) and Betty McCollum (D-Minn.) are expected to introduce companion legislation soon. NADA and 119 other organizations sent a letter to Congress supporting passage of the PART Act last year. This Congress, the bill includes some non-controversial revisions to improve clarity and enhance enforcement. Members are urged to cosponsor the PART Act to help curb the growing national problem of catalytic converter theft protect consumers, and free up valuable time for law enforcement organizations across the country.