

May 4, 2021

Chair Paul Holvey and Members of the Committee Committee on Business and Labor Oregon House of Representatives

RE: Senate Bill 803 – Catalytic Converter Theft

Dear Chair Holvey and Members of the Committee:

The National Insurance Crime Bureau (NICB) is a national, century-old, not-for-profit organization supported by approximately 1,200 property and casualty insurance companies, including many who write business in Oregon. Working hand-in-hand with our member companies and law enforcement, we investigate organized criminal conspiracies dealing with insurance and vehicle crime.

Catalytic converter theft is on a sharp rise, in part due to the rise in prices associated with precious metals, including rhodium, platinum, and palladium which are used in the construction of catalytic converters as these metals act as catalysts, removing toxic elements from the exhaust stream. The relative easy and speed in which a thief can remove a catalytic converter, coupled with the financial reward a thief can reap selling the scrap metal is what drives thefts.

Installing a replacement catalytic converter can cost individual Oregonians hundreds to thousands of dollars, and because thieves try to remove the converters as quickly as possible, their hastiness often causes repair costs to be higher due to other areas of the car being damaged.

Additionally, businesses with large numbers of vehicles, such as vehicle dealerships or utility companies, are highly targeted due to the large number of converters all in the same place. Thefts from commercial operations can lead to replacement costs in excess of tens of thousands of dollars, and additional lost revenue due to halted operations.

<u>Subsequently, we ask for your support of SB 803</u> which seeks to curb catalytic converter thefts by prohibiting a scrap metal business from purchasing or receiving catalytic converters except from a commercial seller and requires the scrap metal business to record certain information related to the catalytic converter purchased or received.

Thank you for your review and consideration; if you have any questions or need additional information, please contact me at hhandler@nicb.org or 847-544-7083.

Sincerely,

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Howard Handler Senior Director, Government Affairs

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