

March 15, 2022

Chairs Steven J. Stafstrom, Gary A. Winfield, and Members of the Committee
Joint Committee on Judiciary
Connecticut General Assembly

RE: SB 446 – Catalytic Converter Theft - SUPPORT

Dear Chairs Stafstrom and Winfield, 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 Connecticut. Working hand-in-hand with our member companies and Connecticut state and local law enforcement, we help to detect, prevent, and deter insurance crimes, including vehicle theft. While NICB provides value to our member companies, we also serve a significant public benefit by helping to stem the estimated billions of dollars in economic harm that insurance crime causes to individual policy holders across the country every year.

Catalytic converter theft has skyrocketed over the past two years in part due to the significant rise in the price of various precious metals, including rhodium, platinum, and palladium. All are used in the construction of catalytic converters. Criminals are seizing the opportunity to profit off these increased prices by removing the catalytic converter from vehicles – in relatively easy fashion – and selling the stolen part on the black market. The component precious metals can be recycled into new products. Nationally, catalytic converter claims more than quadrupled in 2020.

Additionally, installing a replacement catalytic converter can cost thousands of dollars. Because thieves try to remove the converters as quickly as possible, their hastiness often causes higher repair costs due to incidental damage. Moreover, businesses with large vehicle fleets, such as vehicle dealerships or utility companies, are often targeted due to the number of potential marks in a small area. Thefts from commercial carriers can lead to replacement costs in excess of tens of thousands of dollars, and additional lost revenue due to halted operations.

Senate Bill 446 seeks to curb catalytic converter thefts by imposing additional recordkeeping requirements on junk dealers, automobile recycling businesses, and scrap metal processors that purchase used catalytic converters. These requirements will help deter thieves from selling stolen catalytic converters and provide regulators and law enforcement officials important records to investigate catalytic thefts, particularly those involving prolific thieves or organized rings.

Accordingly, we respectfully request your support for SB 446.

We thank you for scheduling a hearing and for considering our views as you deliberate the merits of this bill. We strongly encourage you to utilize NICB as a resource and partner in the fight against catalytic converter theft. If you have any questions or need additional information, please contact me at hhandler@nicb.org or 847-544-7083.

Sincerely,



Howard Handler, MPPA
Senior Director, Government Affairs