

# OHIO AUTOMOBILE DEALERS ASSOCIATION



## Testimony in Support of House Bill 408

### Before the Ohio House Criminal Justice Committee

April 5, 2022

On behalf of our over 800 franchised dealers, we are writing to urge your support of House Bill 408, which would increase penalties and institute other remedies to combat catalytic converter theft.

Catalytic converters are being stolen at increasingly higher rates due to their valuable metals, such as platinum, rhodium and palladium. Thieves 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 (including dealers) and individual vehicle owners alike. In addition, replacing a catalytic converter is costly and often difficult due to the part's skyrocketing demand and supply chain shortages.

For background purposes, as required by the Clean Air Act, catalytic converters reduce toxic emissions from internal combustion vehicles. Valuable precious metals in the catalytic converter remove many toxic elements from the exhaust gases as they exit the vehicle. The price of these precious metals has risen sharply, making catalytic converters a prime target for theft. According to the National Insurance Crime Bureau, the number of catalytic converter thefts reported in insurance company claims sharply increased from 2019 to 2020, and 2021 is likely to have been another record year, with some cities reporting that the instances of this crime have tripled. Stolen catalytic converters can garner anywhere from \$20 to \$350 on the black market, and the replacement cost to vehicle owners can be as high as \$2500.

In addition to the pain being felt by your individual constituents, this crime obviously has a significant impact on our dealer members. HB 408 is a first step to addressing this issue, and we look forward to working with the Ohio Legislature and interested parties to craft a final product that will help solve this serious problem.

Sincerely,

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