

HOUSE OF REPRESENTATIVES **REPRESENTATIVE BOB YOUNG** HOUSE DISTRICT 32

Chairwoman Abrams, Vice Chair Williams, Ranking Member Brown, and Members of the House Criminal Justice Committee,

First, let me say thank you for the opportunity to testify today on behalf of HB 110, a bill to amend sections of the revised code regarding the sale of catalytic converters. For too long, our laws have been overlooked on the sale of used catalytic converters to scrap metal dealers and recyclers, thus leaving a vacuum to allow for a tsunami-like wave of catalytic converter theft across Ohio and our country.

One of the main reasons this is on the rise is due to the precious metals that protect our environment inside this component of the car's exhaust system. The purpose of the catalytic converter is to change the harmful compounds from an engine's emissions into safer gases, such as steam. It normally contains metals such as platinum, palladium, and rhodium. As of last week, the price of rhodium was \$8,450.00 per ounce. And since catalytic converters are easily extracted from the bottom of the car with a simple cordless saw, this has become a lucrative crime of opportunity.

First of all, this bill is truly pro-business. Catalytic converter theft has cost Ohio businesses hundreds of thousands of dollars in repairs and or insurance claims, and it has now caused multiple businesses to shut down completely because they can't get insurance on their fleet of vehicles. Multiple business owners have called my office letting me know. Also, this bill is pro-constituent, as individuals are getting these stolen with sometimes very little recourse and a high repair bill, even with car insurance.

The bill before you is the result of numerous meetings and collaborations with stakeholders including the Ohio Department of Public Safety, the Ohio Prosecuting Attorney's Association, the Attorney General's Office, Institute of Scrap Recycling Industries, and many others. This bill was HB 408 of the 134<sup>th</sup> General Assembly, but let me highlight the overview and changes made.

Under my proposed legislation, we would categorize a catalytic converter as a "special purchase article" under ORC 4737.041. This means any scrap metal dealer, bulk merchandise dealer, or any other entity purchasing such items must obtain proof of ownership from the seller. We are now working in conjunction with Senator J.D. Vance's office on this legislation, as he is trying to ensure that nationwide, catalytic converters will be produced with an identification number so when someone would go to a recycler to sell it, there's verification it is indeed their converter.

## Committees:

Pensions-Chairman Finance/Finance Subcommittee on Higher Education Energy & Natural Resources Public Utilities <u>Contact Information</u> Email: Rep32@ohiohouse.gov Phone: (614)466-1790



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There have been a few updates to HB 408 since its introduction, which include the following positive steps: <u>1</u>. Expands authority of DPS to go after unlicensed scrap yards or other "bad actor" businesses acting as scrap yards who are unlicensed and thus skirting current Ohio law; <u>2</u>. Requiring under certain circumstances for DPS to ensure investigations are happening by local law enforcement agencies when catalytic converter theft is occurring. <u>3</u>. Adds a trigger provision so that if or when Congress were to pass a bill requiring vehicles to be stamped with a vehicle identification number that DPS create the rule to prohibit the sales of converters that do not match the title presented. <u>4</u>. Allows for any retribution assessed for the theft of catalytic converters to go back to the law enforcement agencies responsible for investigating the crime. (i.e. DPS, local sheriffs, and local municipal police departments) <u>5</u>. Specifies that when purchasing a catalytic converter, the proof of ownership a buyer must obtain from the seller consists of the following: If the seller owns the car, the car's title or registration along with a repair receipt indicating replacement of the catalytic converter and the car's make, model, year, and vehicle identification number.

Additionally, the bill has the Attorney General create the Catalytic Converter Theft Task Force under the Organized Crime Investigations Commission to help bridge the gap and bring resources to law enforcement for this specific crime. The Catalytic Converter Task Force is necessary for the existing enforcement problem to be solved. While OCIC currently has the authority to establish such a task force, and the appropriation will enable OCIC to reimburse local law enforcement and prosecutors for their participation in such a task force. This reimbursement will incentivize the local law enforcement that be to come together to combat and prosecute this specific crime.

Colleagues, I thank you again as I turn this over to Representative Roemer.

Catalytic converter theft is a plague on society. What we are doing now in Ohio simply doesn't work. The bill we have proposed is a step in the right direction. Catalytic converter theft affects all facets of society from the working poor to agencies striving to protect our most vulnerable citizens.

(Personal stories)

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