The Honorable Jack Reed Chairman Committee on Armed Services 228 Russell Senate Office Building Washington, DC 20510

The Honorable Maria Cantwell Chair Committee on Commerce, Science, and Transportation U.S. Senate Washington, DC 20510 The Honorable Roger Wicker Ranking Member Committee on Armed Services 228 Russell Senate Office Building Washington, DC 20510

The Honorable Ted Cruz Ranking Member Committee on Commerce, Science, and Transportation U.S. Senate Washington, DC 20510

Dear Chairman Reed, Chair Cantwell, Ranking Member Wicker and Ranking Member Cruz:

We, the undersigned organizations representing a cross-section of industry and interested stakeholders, are writing in strong support of Amdt. 2422 to S. 4638, the National Defense Authorization Act for Fiscal Year 2025, filed by Sens. Amy Klobuchar (D-Minn.) and Mike Braun (R-Ind.). The amendment is identical to the "Preventing Auto Recycling Theft" (PART) Act (S. 154), a bipartisan bill to combat the growing national problem of catalytic converter theft. This bill gives law enforcement additional tools to fight catalytic converter theft which has risen by nearly 900% between 2019 and 2023.<sup>1</sup>

As you may be aware, catalytic converters are being stolen at increasingly higher rates because they contain valuable metals, such as rhodium, platinum and palladium. Thieves can easily steal catalytic converters from vehicles, and since they are not readily traceable, there is a lucrative market for these stolen parts. These thefts are costing millions of dollars to businesses and vehicle owners alike. In addition, for consumers, replacing a catalytic converter is costly and often difficult due to the part's skyrocketing demand and supply chain shortages.

The urgency of addressing catalytic converters thefts has risen as these thefts have increasingly turned violent, with many victims sustaining injuries and even losing their lives when confronting thieves. Recently, in a highly publicized tragedy, 37-year-old soap opera actor Johnny Wactor lost his life after confronting thieves stealing his converter. Many such dangerous events have occurred across the country including a Harris County (Texas) Sheriff Deputy Darren Almendarez who was shot and killed while off duty after he confronted thieves in a grocery store parking lot in the middle of the day.

The lack of traceable identifying marks on a catalytic converter allows criminals to launder the parts by selling to local middlemen, often referred to as "core buyers," who buy stolen parts to then sell to scrap yards or smelters. Stolen catalytic converters can garner anywhere up to \$350 each on the black market, while the replacement cost to vehicle owners can be as high as \$2,500. Repair costs are often higher because thieves regularly damage other parts of the vehicle when removing the catalytic converter.

<sup>&</sup>lt;sup>1</sup> "Catalytic Converter Thefts Decline As Laws Tighten, Scrap Metal Prices Weaken" *Bumper*, Dec. 11, 2023, https://www.bumper.com/vin-lookup/catalytic-converter-theft-state-rankings/

<sup>&</sup>lt;sup>2</sup> "Johnny Wactor, 'General Hospital' actor, fatally shot in L.A." *NBC News*, May 26, 2024 <a href="https://www.nbcnews.com/popculture/tv/johnny-wactor-general-hospital-actor-fatally-shot-l-rcna154138">https://www.nbcnews.com/popculture/tv/johnny-wactor-general-hospital-actor-fatally-shot-l-rcna154138</a>

<sup>&</sup>lt;sup>3</sup> "Off-Duty Texas Deputy Killed in Shootout With Suspected Catalytic Converter Thieves" *NBCDFW*, April 1, 2022 <a href="https://www.nbcdfw.com/news/local/texas-news/texas-deputy-dies-in-shootout-with-suspected-catalytic-converter-thieves/2929620/">https://www.nbcdfw.com/news/local/texas-news/texas-deputy-dies-in-shootout-with-suspected-catalytic-converter-thieves/2929620/</a>

The PART Act provides a national framework to help law enforcement combat rising catalytic converter theft. Because this crime frequently involves trafficking stolen parts across state lines, a federal framework is needed to aid the efforts of local law enforcement.<sup>4</sup> The bill also provides that catalytic converter transactions are recorded and made readily accessible to law enforcement officials to ensure bad actors are caught within the chain of commerce.

Additionally, the legislation requires new vehicles to have unique, traceable identifying numbers stamped on catalytic converters at the time of assembly. It is important to clarify that S. 154 requires new vehicles to have a traceable identifying number stamped on the catalytic converter that is <u>traceable</u> back to the vehicle's VIN. Currently, unless a thief is caught in the act of stealing a catalytic converter, there is no way to tie the stolen part to a specific vehicle.

Parts marking is an effective deterrent to theft and a vital tool for prosecutors, as it ties a stolen catalytic converter back to a victim's vehicle.<sup>5</sup> A 1998 Department of Transportation report analyzing the efficacy of vehicle parts marking laws concluded, "it appears that parts marking and other provisions of the 1984 and 1992 Acts have given the law enforcement community tools they can use to deter thefts, trace stolen vehicles and parts, and apprehend and convict thieves." A follow-up report commissioned by the Department of Justice corroborated this finding and went further by stating that "parts marking is cost-beneficial."

According to law enforcement, marking catalytic converters would preserve their resources and give local law enforcement the tools they need to prosecute thieves while also acting as a theft deterrent. The bill also establishes a federal criminal penalty for the theft, sale, trafficking or known purchase of stolen catalytic converters of up to five years in jail.

The bipartisan PART Act provides local law enforcement the necessary support needed to combat rising and dangerous catalytic converter theft. While we strongly support this amendment, we believe it would be strengthened by the addition of these perfecting provisions linked below. The undersigned organizations urge you to vote YES on Amdt. 2422 to S. 4638 to address this growing national problem which is affecting consumers and small businesses alike. Thank you for your consideration.

## Sincerely,

National Automobile Dealers Association
American Property Casualty Insurance Association
American Rental Association
American Truck Dealers
American Trucking Associations
Automotive Recyclers Association
CAR Coalition

<sup>&</sup>lt;sup>4</sup> "Justice Department Announces Takedown of Nationwide Catalytic Converter Theft Ring," *U.S. Department of Justice*, Nov. 2, 2022, <a href="https://www.justice.gov/opa/pr/justice-department-announces-takedown-nationwide-catalytic-converter-theft-ring">https://www.justice.gov/opa/pr/justice-department-announces-takedown-nationwide-catalytic-converter-theft-ring</a>

<sup>&</sup>lt;sup>5</sup> Vehicle parts marking was first enacted by Congress in the Motor Vehicle Theft Law Enforcement Act of 1984 [P.L. 98-547]. This law gave the Department of Transportation authority to prescribe by regulation a "vehicle theft prevention standard" which would require that manufacturers and importers of new passenger car models mark the major components of "high theft vehicles" with an identification number to help prevent their theft for "chop shop" operations. This program was expanded eight years later in the Anti-Car Theft Act of 1992 [P.L. 102-519]. *See* "Motor Vehicle Theft Prevention Statutes -- General Overview." *U.S. Department of Justice*, Jan. 17, 2020, <a href="https://www.justice.gov/archives/jm/criminal-resource-manual-1359-motor-vehicle-theft-prevention-statutes-general-overview">https://www.justice.gov/archives/jm/criminal-resource-manual-1359-motor-vehicle-theft-prevention-statutes-general-overview</a>

<sup>&</sup>lt;sup>6</sup> "Auto Theft and Recovery: Effects of the Anti Car Theft Act of 1992 and the Motor Vehicle Theft Law Enforcement Act of 1984." *National Highway Traffic Safety Administration*, July 1998 <a href="https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/808761">https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/808761</a>

<sup>&</sup>lt;sup>7</sup> "Evaluation of the Effectiveness of Automobile Parts Marking and Anti-Theft Devices on Preventing Theft." *Abt Associates Inc*, Sept. 2003, <a href="https://www.ojp.gov/pdffiles1/nij/grants/208800.pdf">https://www.ojp.gov/pdffiles1/nij/grants/208800.pdf</a>

<sup>&</sup>lt;sup>8</sup> "Proposed Coalition Amendments to the Preventing Auto Recycling Theft Act (H.R. 621/S. 154)." *NADA*, July 23, 2024, https://www.nada.org/media/15109/download?inline

Elite Catering & Event Professionals

International Association of Chiefs of Police

Major Cities Chiefs Association

Major County Sheriffs of America

NAFA Fleet Management Association

National Association of Emergency Medical Technicians

National Association of Mutual Insurance Companies

National Auto Auction Association

National Automatic Merchandising Association

National Consumer League

National District Attorneys Association

National Insurance Crime Bureau

National Private Truck Council

National RV Dealers Association

National Salvage Vehicle Reporting Program

National Sheriffs' Association

National Tank Truck Carriers

NTEA – The Work Truck Association

Truck Renting and Leasing Association

**UPS** 

Alaska Trucking Association

Arizona Automobile Dealers Association

Arkansas Automobile Dealers Association

Austin Automobile Dealers Association

Auto Dealers Association of Mega Milwaukee

Automobile Dealers Association of Alabama

Automobile Dealers Association of Indiana

Automobile Dealers Association of Kansas City

Automobile Dealers Association of North Dakota

California New Car Dealers Association

California Trucking Association

Chicago Automobile Trade Association

Colorado Automobile Dealers Association

Colorado Motor Carriers Association

Connecticut Automotive Retailers Association

Delaware Automobile and Truck Dealers' Association

**Detroit Auto Dealers Association** 

Florida Automobile Dealers Association

Georgia Automobile Dealers Association

Georgia Motor Trucking Association

Greater Cincinnati Automobile Dealers Association

Greater Cleveland Automobile Dealers' Association

Greater Los Angeles New Car Dealers Association

Greater New York Automobile Dealers Association

Hawaii Automobile Dealers Association

Idaho Automobile Dealers Association

Idaho Trucking Association

Illinois Automobile Dealers Association

Illinois Trucking Association

Indiana Motor Truck Association

Iowa Automobile Dealers Association

Iowa Motor Truck Association

Kansas Automobile Dealers Association

Kentucky Automobile Dealers Association

Kentucky Trucking Association

Louisiana Automobile Dealers Association

Maine Automobile Dealers Association

Maine Motor Transport Association

Maryland Automobile Dealers Association

Maryland Motor Truck Association

Massachusetts State Automobile Dealers Association

Michigan Automobile Dealers Association

Minnesota Auto Dealers Association

Mississippi Automobile Dealers Association

Mississippi Trucking Association

Missouri Automobile Dealers Association

Missouri Trucking Association

Montana Automobile Dealers Association

Montana Trucking Association

Motor Transport Association of Connecticut

Nebraska New Car & Truck Dealers Association

Nevada Franchised Auto Dealers Association

Nevada Trucking Association

New Car Dealers Association San Diego County

New Car Dealers of Utah

New Hampshire Automobile Dealers Association

New Jersey Coalition of Automotive Retailers

New Jersey Motor Truck Association

New Mexico Automotive Dealers Association

New Mexico Trucking Association

New York State Automobile Dealers Association

North Carolina Automobile Dealers Association

North Dakota Motor Carriers Association

Ohio Automobile Dealers Association

Oklahoma Automobile Dealers Association

Oklahoma Trucking Association

Oregon Auto Dealers Association

**Oregon Trucking Association** 

Pennsylvania Automotive Association

Pennsylvania Motor Truck Association

Rhode Island Automobile Dealers Association

Rhode Island Trucking Association

Rochester Automobile Dealers Association

South Carolina Automobile Dealers Association

South Carolina Trucking Association

South Dakota Auto Dealers Association

South Dakota Trucking Association

Tennessee Automotive Association

Tennessee Trucking Association

Texas Automobile Dealers Association

**Texas Trucking Association** 

Trucking Association of Massachusetts

Trucking Association of New York

**Utah Trucking Association** 

Vermont Vehicle and Automotive Distributors Association

Virginia Automobile Dealers Association

Virginia Trucking Association

Washington Area New Automobile Dealers Association

Washington State Auto Dealers Association

Washington Trucking Associations

West Virginia Automobile Dealers Association

Wisconsin Automobile & Truck Dealers Association

Wyoming Automobile Dealers Association