

# American Truck Dealers A DIVISION OF NADA



# Support Catalytic Converter Anti-Theft Legislation (H.R. 621/S. 154) Add Language to Deter Theft of Emission Control Devices for Heavy-Duty Trucks

#### **ISSUE**

Catalytic converters are being stolen at increasingly higher rates due to their valuable metals, such as rhodium, platinum and palladium. Gas-powered medium-duty trucks are often targeted by thieves, as many of these vehicles have catalytic converters which can be easily accessed. These thefts are costing millions of dollars to businesses and individual vehicle owners alike. The bipartisan "Preventing Auto Recycling Theft (PART) Act" (H.R. 621/S. 154) would address the continued surge of catalytic converter theft. However, heavy-duty diesel trucks are also vulnerable to theft of their emission control devices known as diesel particulate filters (DPF) and diesel oxidation catalysts (DOC), which contain the exact same precious metals that attracts thieves to steal catalytic converters. Congress should pass the PART Act to help law enforcement combat the theft of emission devices and add emission control systems for heavy duty trucks to the bill, which would create a more transparent market to deter its theft.

### **BACKGROUND**

As required by the Clean Air Act, catalytic converters reduce toxic emissions from internal combustion engine vehicles. Similar to catalytic converters in light-duty vehicles, DPFs/DOCs use valuable precious metals to reduce toxic emissions from heavy-duty vehicles. The price of these precious metals has risen sharply, making catalytic converters and DPF/DOCs prime targets for theft. The number of catalytic converter thefts reported in insurance company claims has greatly increased over the past three years, and the National Insurance Crime Bureau estimates that these thefts increased by nearly 900% between 2019 and 2023. Stolen catalytic converters can garner anywhere from \$20 to \$350 on the black market, and DPFs/DOCs can get up to \$700, with the replacement cost to vehicle owners averaging over \$2,500.

Catalytic converters are easy to steal, but generally very difficult to trace to a specific vehicle, allowing them to be sold on the black market. The lack of traceable identifying marks makes the theft of catalytic converters difficult to curb. Thefts of catalytic converters have turned <u>violent</u>, and recently in a highly publicized <u>tragedy</u>, a soap opera actor lost his life after confronting thieves stealing his converter. Several states have enacted laws to combat this crime; however, because this crime frequently involves trafficking stolen parts across state lines, a federal framework is needed to aid the efforts of local law enforcement.

The PART Act includes a \$7 million grant program through which certain entities can voluntarily stamp VINs, or other identifiers, onto the catalytic converters of vehicles already on the road at no cost to vehicle owners. Dealers are specifically eligible to utilize this grant program. The bill also requires new vehicles to have unique, traceable identifying numbers stamped on catalytic converters at the time of assembly. Additionally, the bill increases record keeping requirements for purchasers and establishes a federal criminal penalty for the theft, sale, trafficking or known purchase of stolen catalytic converters of up to five years in jail.

## **KEY POINTS**

- Theft of emission control devices for heavy-duty trucks should be penalized and included in the PART Act, otherwise criminals will shift from stealing catalytic converters to DPFs/DOCs, as these devices contain the identical precious metals sought by thieves. Law enforcement organizations have said that they expect to see DPF/DOC theft rise over the next year.
- DPFs/DOCs are not currently required to be marked with a VIN or number traceable to a VIN; however, some manufacturers already utilize traceable serial numbers. Law enforcement has stated that including such tracing in the legislation is critical to help deter the theft and trafficking of stolen emission control devices since it would make it easier to prosecute criminals.
- H.R. 621/S. 154 provides a national framework to help law enforcement combat catalytic converter theft. There are currently over 100 state bills addressing catalytic converter thefts, but since this crime frequently involves trafficking stolen parts across state lines, a federal standard is needed to help law enforcement.

#### **STATUS**

Reps. Jim Baird (R-Ind.) and Betty McCollum (D-Minn.) introduced <u>H.R. 621</u>. <u>S. 154</u> was introduced by Sens. Amy Klobuchar (D-Minn.), and Mike Braun (R-Ind.). ATD and 20 other organizations sent a <u>letter</u> to House and Senate Commerce Committees in support of the PART Act last year. **Members should cosponsor H.R. 621/S. 154 and ensure that emission control devices for heavy-duty trucks are included in any final bill.

June 12, 2024**