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## National Council of Insurance Legislators (NCOIL)

### Resolution in Support of Strengthening State Laws to Prevent Catalytic Converter Theft

*\*To be discussed during the Property & Casualty Insurance Committee on April 13, 2024*

*\*Sponsored by Rep. Edmond Jordan (LA) – NCOIL Secretary*

**WHEREAS**, throughout the past several years, states across the country have experienced a surge in the theft of catalytic converters; and

**WHEREAS**, in total, the nation experienced more than 64,000 catalytic converter thefts in 2022 alone; and

**WHEREAS**, thefts of catalytic converters have proven to have a significant harmful impact to consumers, with thefts causing:

- violation of personal property rights and a sense of community safety;
- disruption of daily life;
- loss of personal vehicles during the lengthy repair process; and
- in extreme cases, the loss of life to both consumers and law enforcement agents.

**WHEREAS**, thefts of catalytic converters have also proven to have a detrimental impact on both insureds and insurers with increased catalytic converter thefts leading to increased claims paid and increased premiums; and

**WHEREAS**, in response to this crisis, state legislatures have taken action by enacting different types of laws with varying degrees of success; and

**WHEREAS**, based upon the experiences in states across the country, there should be certain provisions which all state catalytic converter laws should have, such as:

- creating new criminal statutes for catalytic converter theft that classify both the theft of and receipt of stolen catalytic converters as a felony, with the penalties attendant thereto;

- setting forth limitations for purchasers of catalytic converters, such as establishing recordkeeping requirements, requiring all purchases to take place at a fixed business address, and verifying a seller's authorization to trade in catalytic converters;
- setting forth limitations for sellers of catalytic converters, such as permitting only certain registered or licensed entities to sell catalytic converters; establishing certain verification requirements for sellers; requiring sellers to provide certain identifying documentation; prohibiting cash transactions; prohibiting any transactions outside the hours of 9:00 p.m. – 6:00 a.m.; and
- establishing a vehicle identification number (VIN) stamping grant program to be carried out by a designated state agency; and

**NOW, THEREFORE, BE IT RESOLVED**, that NCOIL encourages states to examine their current statutory code and take steps to implement the abovementioned provisions in an effort to help stop and prevent ongoing thefts of catalytic converters; and

**BE IT FINALLY RESOLVED**, that a copy of this resolution will be distributed to State Legislative Leadership, and the Chairs of Committees with jurisdiction over insurance, and over criminal matters in each legislative chamber in each state.