
SENATE COMMITTEE ON PUBLIC SAFETY

Senator Aisha Wahab, Chair

2023 - 2024 Regular

Bill No: AB 1519 **Hearing Date:** July 11, 2023
Author: Bains
Version: April 19, 2023
Urgency: No **Fiscal:** Yes
Consultant: SC

Subject: *Vehicles: catalytic converters*

HISTORY

Source: Author

Prior Legislation: SB 986 (Umberg), failed Assembly floor, 2022
SB 1087 (Gonzalez), Ch. 514, Stats. 2022
AB 1740 (Muratsuchi), Ch. 513, Stats. 2022
AB 2682 (Gray), failed Senate Appropriations, 2022
SB 919 (Jones), failed Sen. Pub. Safety, 2022

Support: California District Attorneys Association

Opposition: None known

Assembly Floor Vote: 79 - 0

PURPOSE

The purpose of this bill is to create a new misdemeanor for removing, altering, or obfuscating any vehicle identification number (VIN) or other unique marking on a catalytic converter or from possessing three or more catalytic converters that have been so altered.

Existing law states that except in cases where a different punishment is prescribed by any law of this state, every offense declared to be a misdemeanor is punishable by imprisonment in the county jail not exceeding six months, or by fine not exceeding \$1,000, or by both. (Pen. Code, § 19.)

Existing law divides theft into two degrees, petty theft and grand theft. (Pen. Code, § 486.)

Existing law defines grand theft as when the money, labor, or real or personal property taken is of a value exceeding \$950 dollars, except as specified. (Pen. Code, § 487.)

Existing law states that petty theft is punishable by a fine not exceeding \$1,000, by imprisonment in the county jail not exceeding six months, or both. (Penal Code § 490.)

Existing law prohibits buying or receiving any property that has been stolen or that has been obtained in any manner constituting theft or extortion, knowing the property to be so stolen or obtained, and punishes the offense as an alternate felony-misdemeanor when the value of the

property exceeds \$950, or as a misdemeanor when the value of the property is \$950 or less. (Pen. Code, § 496.)

Existing law states that it is a misdemeanor for any person to willfully injure or tamper with any vehicle or the contents thereof or break or remove any part of a vehicle without the consent of the owner. (Veh. Code, §§ 10852, 40000.9.)

Existing law states that it is a misdemeanor for a person to intentionally deface, destroy, or alter the motor number, other distinguishing number, or identification mark of a vehicle required or employed for registration purposes without written authorization from the department, nor shall any person place or stamp any serial, motor, or other number or mark upon a vehicle, as specified. (Veh. Code, § 10750, 40000.9.)

This bill states that any person who removes, alters, or obfuscates any vehicle identification number or other unique marking that has been added to a catalytic converter is guilty of a misdemeanor.

This bill provides that any person who knowingly possesses three or more catalytic converters that have the vehicle identification number or other unique marking removed, altered, or obfuscated is guilty of a misdemeanor.

COMMENTS

1. Need for This Bill

According to the author of this bill:

Marking vehicle parts with a VIN allows stolen parts to be traced back to the original vehicle, assists law enforcement to help victims, and hinders the ability of thieves to sell stolen parts on the black market. That is why the Federal Motor Vehicle Theft Prevention Standard has required manufacturers to mark the VIN on 18 different vehicle parts since 1984. Unfortunately, catalytic converters are not covered by the federal standard and are not required to be marked. AB 1519 encourages drivers to get their catalytic converters marked by imposing a misdemeanor for obfuscating the marking. It also imposes a misdemeanor for possessing three or more catalytic converters which have had their VIN markings obfuscated. Law enforcement need more tools to prosecute thieves once they are away from the crime scene, and drivers need to know that the cost of getting their catalytic converter marked is worth it and will effectively deter theft.

2. Catalytic Converter Theft

Catalytic converters are devices that reduce pollution-causing emissions. Since 1975, all vehicles produced in the United States must have a catalytic converter as part of the exhaust system. Some vehicles may have more than one catalytic converter. The precious metals inside act as catalysts; when hot exhaust enters the converter, a chemical reaction occurs that renders toxic gases, such as carbon monoxide and hydrocarbons, into less harmful emissions.

In 2009, due to reports of increased catalytic thefts, California enacted SB 627 (Calderon), Chapter 603, Statutes of 2009. The law required core recyclers to comply with additional recordkeeping and identification procedures and new payment restrictions when purchasing catalytic converters. Specifically, the law required core recyclers to obtain identifying information about the seller of the catalytic converter including a copy of valid identification, a photograph or video of the seller, a photograph or video of the catalytic converter and information about the sale including date of the transaction and a written statement from the seller indicating ownership of the catalytic converter. This information must be maintained by the core recycler for a minimum period of two years and to provide this information for inspection by local law enforcement upon demand. There is an exception for keeping information on sales or receipts of a catalytic converter if the core recycler and the seller have a written agreement for the transaction. The law makes a knowing and willful violation of its provisions punishable as a misdemeanor with graduated fines and the ability of the court to order the defendant to cease engaging in the business of a core recycler for a specified period of time. (Bus. & Prof. Code, § 21610.)

According to a 2021 report by the Congressional Research Service on catalytic converter theft:

Thefts of catalytic converters, a key part of the emission control systems of internal combustion vehicles, are on the rise. The devices, which are installed not only on passenger vehicles but also on buses, motorcycles, and commercial trucks, use valuable metals to reduce pollutants emanating from the engine. Replacing a stolen catalytic converter can cost a passenger vehicle owner up to \$3,000. ...

Catalytic converters, the sale of which may net thieves \$25 to \$500 depending on the type and model of vehicle they were attached to, have become targets for theft for several reasons. During the pandemic, many cars and fleet vehicles remained parked in the same spot for extended periods since people were not driving as much due to pandemic restrictions. These vehicles might be attractive targets for thieves because people were not paying attention to them and because the value of the precious metals they contain has risen sharply. ...

Federal laws to deter vehicle and vehicle parts thefts were enacted in 1984 and again in 1992 to address rising theft of motor vehicles that were taken to illicit body shops, often called “chop shops,” for disassembly. The parts—mainly bumpers, hoods, fenders and similar large metal parts— were then sold either directly or through a salvage yard. These laws simplified the tracing and recovery of parts from stolen vehicles and established a national information system that enables states to access automobile titling information. In implementing these laws, the National Highway Traffic Safety Administration (NHTSA) issued a Federal Motor Vehicle Theft Standard, which requires manufacturers to apply or stamp a car’s unique Vehicle Identification Number (VIN) on the engine, transmission, and a dozen other major vehicle parts so law enforcement agencies can better identify vehicles from which the parts were stolen. However, the standard does not require automakers to stamp identification numbers on catalytic converters. ...

Identifying stolen vehicle parts has been facilitated by the National Motor Vehicle Title Information System, established by federal law in 1992 (P.L. 102-519) to

keep stolen vehicles from being resold. Administered by the American Association of Motor Vehicle Administrators, it requires regular reporting by scrap recyclers and salvage yards. Harnessing the cooperation of these businesses could lead to a decline in catalytic converter thefts if additional documentation were to be required before converters are purchased. ...

California has some of the most stringent standards regarding the sale of catalytic converters to scrap recyclers. [...] Thus far, CRS has not located evidence about the effectiveness of California's standards in reducing converter theft.

(Congressional Research Service, Addressing Catalytic Converter Theft (July 6, 2021) <<https://crsreports.congress.gov/product/pdf/IF/IF11870/2>> [as of April 16, 2023].)

This bill would make it a misdemeanor to remove, alter, or obfuscate the VIN on the catalytic converter, and would make it a misdemeanor to knowingly possess three or more catalytic converters that have had a VIN removed, altered, or obfuscated. The proponents of this bill argue that enforcement and prosecution of catalytic converter theft is extremely difficult unless the perpetrator is caught in the act and thus punishing mere possession is needed.

Theft of a catalytic converter is currently punishable as theft, grand theft, breaking or removing any part of a vehicle without the consent of the owner, and receiving stolen property.

The offense that would most likely apply to a person possessing a stolen catalytic converter would be receiving stolen property punishable as either a misdemeanor or felony, depending on the value of the property. (Pen. Code, § 496.) Three catalytic converters would likely meet the felony threshold which requires the value of the property to exceed \$950. (*Ibid.*) Finding someone is guilty of this offense, requires proof that the property was stolen, that the defendant had knowledge that the property was stolen, and that the defendant concealed or withheld the property from the owner. (Pen. Code, § 496.) Both direct evidence and circumstantial evidence may be used to prove an element of the crime beyond a reasonable doubt. (CALCRIM No. 223.) Circumstantial evidence to prove that the defendant had knowledge that the property was stolen could be met by any number of circumstances that tend to show this knowledge including actual possession of stolen property, no explanation or an unsatisfactory explanation of possession, sale of the property under a false name or at an inadequate price, identity marks removed from the property, or by other suspicious circumstances. (Bench Notes, CALCRIM No. 376.)

3. Permanent Markings on Catalytic Converters

With the increased interest in catalytic converter VIN etching services, a variety of etching products and techniques have been developed. One of the most common methods of etching a catalytic converter is to use an engraving hand tool to etch the number into the equipment.

Permanent marking, or etching, of catalytic converters is one method by which one could identify a stolen catalytic converter. With the increased interest in catalytic converter VIN etching services, a variety of etching products and techniques have been developed. One of the most common methods of etching a catalytic converter is to use an engraving hand tool to etch the number into the equipment. Manual engraving tools can be purchased from hardware stores or online from a wide range of retailers for \$25 – \$400+. Chemical etch labels and kits can also be a cost-effective technique (often less than \$30) to ensure that even if the label is removed, identification information is still permanently detectable on the equipment. Automated

industrial-level VIN etching machines can cost thousands, generally over \$1,000 for a small and simple machine and over \$5-10,000 for a larger and more complex machine, but many automotive professionals can still etch catalytic converters rapidly and effectively with manual tools.

While the etching process itself is generally simple and inexpensive, accessing the catalytic converter for etching can be difficult for many newer car models. Catalytic converters are typically located on the underside of the car, but many newer vehicle models incorporate the catalytic converter as a part of the exhaust manifold, essentially making the catalytic converter difficult to access without disassembling a significant portion of the vehicle engine. In these cases, automobile technicians require specialized equipment and additional time to access the catalytic converter for etching.

While permanently marking a catalytic converter with the vehicle's VIN is not required under existing law, recent bills have attempted to make this a requirement. Additionally, some consumers may voluntarily pay to have the VIN etched to their vehicle's catalytic converter to aid in theft detection.

This bill creates new misdemeanors for any person who removes, alters, or obfuscates any VIN or other unique marking that has been added to a catalytic converter, or who knowingly possesses a catalytic converter where the VIN has been removed, altered, or obfuscated. The new misdemeanors would not apply to a person who is removing, altering, or obfuscating a VIN or other unique marking in order to apply a new VIN or unique marking because the catalytic converter is being lawfully installed on a different vehicle, or a person that is disassembling, smelting, or otherwise permanently destroying a catalytic converter lawfully in their possession.

4. Argument in Support

According to California District Attorneys Association:

Catalytic converter theft has become an increasingly alarming problem in communities across the state. The theft itself is often committed within minutes and the stolen catalytic converter, often devoid of any identifying information, is then typically sold to a core recycler for a significant profit. This makes enforcement and prosecution of catalytic converter theft extremely difficult, if not impossible, unless the perpetrator is caught in the act.

By requiring dealers, retail sellers, and automotive repair dealers to ensure that the vehicles they sell or repair contain catalytic converters that are permanently marked with the vehicle identification number (VIN), and by making it a crime to alter the VIN or to knowingly possess a catalytic with an altered VIN, this bill provides law enforcement and prosecutors with important tools that are necessary to discourage and prevent the growing crime of catalytic converter theft.

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