
SENATE COMMITTEE ON PUBLIC SAFETY

Senator Steven Bradford, Chair

2021 - 2022 Regular

Bill No: AB 1653 **Hearing Date:** May 31, 2022
Author: Patterson
Version: January 14, 2022
Urgency: No **Fiscal:** Yes
Consultant: SC

Subject: *Property crimes: regional property crimes task force*

HISTORY

Source: Author

Prior Legislation: AB 331 (Jones-Sawyer), Ch. 113, Stats. 2021
AB 94 (Committee on Budget and Fiscal Rev.), Ch. 25, Stats. 2019
AB 1065 (Jones-Sawyer), Ch. 803, Stats. 2018

Support: California Police Chiefs Association; California Statewide Law Enforcement Association; City of Fountain Valley; League of California Cities

Opposition: None known

Assembly Floor Vote: 65 - 0

PURPOSE

The purpose of this bill is to specify that property crimes includes theft of vehicle parts and accessories for purposes of the Regional Property Crimes Task Force.

Existing law, until July 1, 2026, requires the Department of the California Highway Patrol (CHP) to coordinate with the Department of Justice (DOJ) to convene a regional property crimes task force to identify geographic areas experiencing increased levels of property crimes and assist local law enforcement with resources, such as personnel and equipment. (Pen. Code, § 13899.)

Existing law, until July 1, 2026, states that the task force shall provide local law enforcement in the identified region with logistical support and other law enforcement resources, including, but not limited to, personnel and equipment, as determined to be appropriate by the Commissioner of CHP in consultation with task force members. (Pen. Code, § 13899.)

This bill specifies that property crime, for purposes of the regional property crimes task force, includes theft of vehicle parts and accessories.

COMMENTS

1. Need for this Bill

According to the author of this bill:

Currently, local law enforcement agencies are being overwhelmed with reports of stolen catalytic converters. In Los Angeles County, it's estimated that catalytic converter thefts were up by 400% in 2020.¹ In Fresno County, reports of stolen catalytic converters have risen over 900% from 2020 to 2021.² AB 1653 will expand the scope of the CHP Retail Crime Task Force to include auto theft and the theft of auto parts (i.e. catalytic converters). The goal is to help local law enforcement agencies successfully combat the theft of catalytic converters.

2. CHP Task Force

The Regional Property Crimes Task Force was enacted by AB 1065 (Jones-Sawyer), Chapter 803, Statutes of 2018. That bill required CHP, until July 1, 2021, to coordinate with DO to convene a regional property crimes task force to identify geographic areas experiencing increased levels of property crimes and assist local law enforcement with resources, such as personnel and equipment. AB 331 (Jones-Sawyer), Chapter 113, Statutes of 2021, extended the operation of the regional property crimes task force until January 1, 2026.

According to CHP's website:

As reported by the National Retail Federation, organized retail theft accounts for nearly \$30 billion in economic loss per year. This loss is carried by retailers on several levels but is ultimately passed on to consumers through price inflation to offset economic loss. While the problem is most commonly associated with shoplifting, it extends well beyond into associated organized criminal activity. Commercial burglary, vehicle burglary, identity theft, credit card fraud, forgery, and fencing (selling or distribution of) stolen property are part of a bigger picture that finance ongoing criminal operations.

In response to AB 1065, the CHP, in consultation with the DOJ, developed a task force concept to work with allied agencies to combat organized retail theft. Three regional task forces, known as Organized Retail Crime Task Forces (ORCTF), were established by the CHP in three field Divisions with the greatest need for immediate action: Golden Gate Division (encompassing the greater Bay Area), Southern Division (encompassing the greater Los Angeles region), and Border Division (encompassing Orange and San Diego counties).

(See <<https://www.chp.ca.gov/notify-chp/organized-retail-theft-program>> [as of May 16, 2022].)

This bill specifies that property theft for purposes of the CHP task force includes theft of vehicle parts and accessories.

3. 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

¹ <https://www.foxla.com/news/catalytic-converter-theft-trend-continues-in-la-county>

² [catalytic-converter-thefts-up-over-900-in-fresno-police-say](https://www.foxla.com/news/catalytic-converter-thefts-up-over-900-in-fresno-police-say)

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.

According to the National Insurance Crime Bureau:

We have seen a significant increase during the pandemic. It's an opportunistic crime. As the value of the precious metals contained within the catalytic converters continues to increase, so do the number of thefts of these devices. There is a clear connection between times of crisis, limited resources, and disruption of the supply chain that drives investors towards these precious metals.”

A catalytic converter is a device that looks like a small muffler along with the exhaust system. It is designed to convert the environmentally hazardous exhaust emitted by an engine into less harmful gasses. To do this, manufacturers use platinum, palladium, or rhodium. In recent years, the values of these precious metals have increased significantly. As of December 2020, rhodium was valued at \$14,500 per ounce, palladium at \$2,336 per ounce, and platinum going for \$1,061 per ounce. Typically, recyclers will pay \$50 to \$250 per catalytic converter.

According to NICB's Operations, Intelligence and Analytics study of reported thefts, there were 108 catalytic converter thefts per month on average in 2018, 282 average monthly thefts in 2019, and 1,203 average thefts per month in 2020. During this time period, the top five states for catalytic converter thefts were California, Texas, Minnesota, North Carolina, and Illinois. In 2020, there was a continual climb in thefts. January had the fewest number of thefts at 652, but it continued to climb markedly throughout the year, with December having 2,347 thefts.

(Catalytic Converter Theft Skyrocketing Nationwide, National Insurance Crime Bureau (March 2021) <https://www.nicb.org/news/news-releases/catalytic-converter-theft-skyrocketing-nationwide> [as of May 13, 2022].)

In 2009, due to reports of increased catalytic converter 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.)

This year, in response to reports of increased catalytic converter thefts, multiple bills have been introduced in the Legislature, including this bill, seeking to address the issue.

4. Argument in Support

According to California Police Chiefs Association:

Local law enforcement agencies have become inundated with reports of stolen catalytic converters. In the county of Fresno alone, reports of stolen catalytic converters have risen over 900%. Our law enforcement agencies need more help to prevent this rapid rise in crime, and the existing CHP Retail Theft Task Force is perfectly positioned to fill that gap.

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