
SENATE COMMITTEE ON PUBLIC SAFETY

Senator Steven Bradford, Chair

2021 - 2022 Regular

Bill No: SB 919 **Hearing Date:** April 26, 2022
Author: Jones
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Urgency: No **Fiscal:** Yes
Consultant: SC

Subject: *Vehicles: catalytic converters*

HISTORY

Source: Chula Vista Police Department

Prior Legislation: SB 366 (Umberg), Ch. 601, Stats. 2021
SB 627 (Calderon), Ch. 603, Stats. 2009
SB 691 (Calderon), Ch. 739, Stats. 2008
SB 844 (Berryhill), Ch. 731, Stats. 2008

Support: California District Attorneys Association; City of Buena Park; City of Oceanside; El Cajon Police Department; San Diego County District Attorney's Office

Opposition: ACLU California Action; Alliance for Automotive Innovation (oppose unless amended); California New Car Dealers Association (oppose unless amended); California Public Defenders Association; Ella Baker Center for Human Rights; Insurance Auto Auctions, Inc. (oppose unless amended)

PURPOSE

The purpose of this bill is to: 1) prohibit a dealer or retailer from selling a new or used motor vehicle with a catalytic converter unless the catalytic converter has a Vehicle Identification Number (VIN) permanently marked onto it; 2) make it a misdemeanor for any person who removes, alters, or obfuscates the VIN on a catalytic converter; 3) make it an alternate felony-misdemeanor for a person who purchases, sells, receives, or possesses a catalytic converter that is believed to be stolen; and, 4) prohibit core recyclers from purchasing or receiving any catalytic converter that is not permanently marked with the VIN and require core recyclers to maintain a log that includes a description of all catalytic converters purchased or received.

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.)

This bill prohibits any person from buying, selling, receiving, or possessing a catalytic converter that has been obtained in any manner constituting theft.

This bill prohibits any person from removing, altering, or obfuscating the VIN or other unique marking that has been added to a catalytic converter, except:

- A person who is removing, altering, or obfuscating a vehicle identification number or other unique marking in order to apply a new vehicle identification number 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.

This bill states that in establishing probable cause for an arrest for unlawful buying, selling, receiving, or possessing a catalytic converter, the peace officer does not need to have actual knowledge that the catalytic converter is stolen. Probable cause may be established based on specific facts, including, without limitation, any of the following that in the particular circumstance led the officer to reasonably believe that the catalytic converter is stolen:

- The catalytic converter has been cut or otherwise shows marks or damage consistent with illicit removal;
- The person in possession of the catalytic converter concurrently possesses tools commonly used in the illicit removal of catalytic converters;
- The catalytic converter has markings that associate it with a particular vehicle or with a particular make or model of vehicle not associated with the person in possession of the catalytic converter;
- The person is not able to reasonably account for the origin of the catalytic converter, or makes inconsistent, misleading, or demonstrably false statements regarding their possession of the catalytic converter;
- The person is in possession of, or has sold or attempted to sell, multiple catalytic converters outside of the scope of a legitimate business enterprise; or,
- The defendant has prior arrests or convictions that demonstrate knowledge of catalytic converter theft.

This bill provides that in any prosecution of a violation of unlawfully buying, selling, receiving, or possessing a catalytic converter, the state does not need to present a victim or prove that the catalytic converter was actually stolen. Proof of the offense may be satisfied through the presentation of circumstantial evidence, satisfactory to the finder of fact, that the nature of the catalytic converter is consistent with one that has been stolen, including without limitation, any of the above listed factors.

This bill provides that a violation of the prohibition against unlawfully buying, selling, receiving, or possessing a catalytic converter is punishable as an alternate felony-misdemeanor where the value of the catalytic converter exceeds \$950, or as a misdemeanor punishable by up to one year in jail when the value does not exceed \$950.

This bill punishes the removing, altering, or obfuscating of any VIN or other unique marking that has been added to a catalytic converter as a misdemeanor punishable by up to one year in county jail.

This bill also states that in addition to any term of imprisonment for the above offenses, the court shall impose a fine as follows:

- For a first conviction, a fine of \$1,000.
- For a second conviction, a fine of \$2,000.
- For a third or subsequent conviction, a fine of \$4,000.

Existing law defines the term “core recycler” to mean “a person or business, including a recycler or junk dealer, that buys used individual catalytic converters, transmissions, or other parts previously removed from a vehicle. A person or business that buys a vehicle that may contain these parts is not a core recycler.” (Bus. & Prof. Code, § 21610, subd. (a).)

Existing law requires a core recycler who accepts a catalytic converter for recycling to maintain a written record that contains all of the following:

- The place and date of each sale or purchase of a catalytic converter made;
- The name, valid driver’s license number, and state of issue, or California-issued identification number, of the seller of the catalytic converter and the vehicle license number, including of issue of a motor vehicle used in transporting the catalytic converter to the core recycler’s place of business. If the seller is a business, the written record shall include the name, address, and telephone number of the business;
- A description of the catalytic converters purchased or sold, including the item type and quantity, amount paid for the catalytic converter, and identification number, if any, and the vehicle identification number; and,
- A statement indicating either that the seller of the catalytic converter is the owner of the catalytic converter, or the name of the person from whom he or she has obtained the catalytic converter, including the business, if applicable, as shown on a signed transfer document. (Bus. & Prof. Code, § 21610, subd. (b).)

Existing law requires a core recycler engaged in the selling or shipping of used catalytic converters to other recyclers or smelters shall retain information on the sale that includes all of the following:

- The name and address of each person to whom the catalytic converter is sold or disposed of;
- The quantity of catalytic converters being sold or shipped;
- The amount that was paid for the catalytic converters sold in the transaction; and,
- The date of the transaction. (Bus. & Prof. Code, § 21610, subd. (c).)

Existing law states that a core recycler shall not provide payment for a catalytic converter unless all of the following requirements are met:

- The payment is made by check and provided to the seller by mailing the payment to the address on the seller's driver's license or identification card, or if the seller is a business, mailing the payment to the seller's business address;
- A clear photograph or video of the seller is obtained at the time of the sale;
- A copy of the seller's valid driver's license or a copy of s state or federal government issued identification card. If the seller prefers to have the check mailed to an alternative address, in addition to a copy of a driver's license or identification card, a gas or electric utility bill addressed to the seller at the alternative address with a payment due date no more than two months prior to the date of sale;
- A clear photograph or video of the catalytic converter being sold; and,
- A written statement from the seller indicating how the seller obtained the catalytic converter. (Bus. & Prof. Code, § 21610, subd. (d).)

Existing law provides that the requirements for sale listed above do not apply to a core recycler that buys used catalytic converters, transmissions, or other parts removed from a vehicle if the core recycler and the seller have a written agreement for the transaction. (Bus. & Prof. Code, § 21610, subd. (e).)

Existing law requires core recyclers accepting catalytic converters from licensed auto dismantlers or from recyclers who hold a written agreement with a business that sells catalytic converters for recycling purposes to collect only the following information:

- Name of seller or agent acting on behalf of the seller;
- Date of transaction;
- Number of catalytic converters received in the course of the transaction; and,
- Amount of money that was paid for catalytic converters in the course of the transaction. (Bus. & Prof. Code, § 21610, subd. (f).)

Existing law requires a core recycler to keep and maintain the information required for the purchase of catalytic converters for not less than two years and to make the information available for inspection by local law enforcement upon demand. (Bus. & Prof. Code, § 21610, subs. (g)-(h).)

Existing law states that a person who makes, or causes to be made, a false or fictitious statement regarding any information required pursuant to this section is guilty of a misdemeanor. (Bus. & Prof. Code, § 21610, subd. (i).)

Existing law provides that a person who knowingly and willfully violates these requirements shall be punished as follows:

- For a first conviction, by a fine of \$1,000;
- For a second conviction, by a fine of not less than \$2,000 and the court may order the defendant to cease engaging in the business of a core recycler for a period not to exceed 30 days; and,
- For a third conviction, by a fine not less than \$4,000 and the court shall order the defendant to cease engaging in the business of a core recycler for a period of not less than one year. (Bus. & Prof. Code, § 21610, subd. (k).)

This bill prohibits a core recycler from purchasing or otherwise accepting any catalytic converter unless both of the following are true:

- The catalytic converter has been engraved, etched, or otherwise permanently marked with the vehicle identification number from which it was removed; and,
- The catalytic converter is recorded on a regularly updated log of all catalytic converters purchased or otherwise accepted by the core recycler that is maintained for a period of no less than two years, is made available to any law enforcement officer upon demand.

This bill requires the updated log to include, without limitation, all of the following information:

- A description of the catalytic converter, including the vehicle identification number engraved on the catalytic converter; and,
- The full name, date of birth, and identification number of the seller, as verified by the core recycler.

This bill punishes a violation of the above provision as a misdemeanor punishable by imprisonment in the county jail not exceeding one year and by a fine as follows:

- For a first conviction, a fine of one thousand dollars.
- For a second conviction, a fine of two thousand dollars.
- For a third or subsequent conviction, a fine of four thousand dollars.

Existing law prohibits a motor vehicle dealer or retailer from selling any motor vehicle that is not in compliance with the requirements enumerated in the Vehicle Code. (Veh. Code, § 24000 et seq.)

This bill prohibits a dealer or retailer from selling a new or used vehicle, except a collector motor vehicle, equipped with a catalytic converter unless the catalytic converter has been engraved or etched with the vehicle identification number (VIN) of the vehicle to which it is attached.

This bill punishes a violation of the requirement to engrave or etch the catalytic converter with the VIN of the vehicle to which it is attached as a misdemeanor.

COMMENTS

1. Need for this Bill

According to the author of this bill:

Catalytic converters (CATs) are smog-control devices that reduce the motor vehicles' pollution.

CATs use precious metals rhodium, palladium, and platinum to clean a vehicle's exhaust emissions and are extremely valuable. As of December 2020, these precious metals were valued at \$14,500, \$2,336, and \$1,061 per ounce, respectively.

All fuel-powered vehicles manufactured after 1974 have CATs. Since 2009, all CATs, including aftermarket converters, must be compliant with California Air Resources Board standards. Used CATs cannot be legally advertised for sale, sold, or installed in California.

Since CATs cannot be reused, individuals or scrap metal businesses sell end-of-life converters to core recyclers. There are very few recyclers that will accept CATs in California. Recyclers typically will pay up to \$250 per converter. CATs from hybrid gas-electric cars, however, are much more valuable and can be sold to recyclers for up to \$1,500. Pursuant to Business and Professions Code § 21610, if an individual sells a CAT, core recyclers are required to collect their name and valid driver's license number. If a business sells a CAT, core recyclers are required to collect the name, address, and telephone number of the business. Once the recycler purchases the CAT, they ship it out of state for smelting and extracting of the precious metals.

Because of their high value, thieves are stealing CATs at alarming rates, both across the nation and in California. Nationally, the number of CAT theft claims jumped 326% from 2019 to 2020, and another 293% from mid-2020 to mid-2021. More than 18,000 Californians reported having their catalytic converter stolen in 2021, which represents a 1,337% increase since 2019. California is the number one state for catalytic converter thefts with more than 30% of claims filed nationally.

CATs can be stolen in less than two minutes using basic tools. Thieves then sell CATs to often shell scrap metal businesses whose sole purpose is to sell stolen converters to recyclers. Since recyclers are required to collect little identifying information from the business, the current process allows thieves to be shielded by the business-to-business transaction. The recycler is also shielded since businesses are excluded from certain identification requirements in current law.

While thieves profit from stolen converters, motorists pay up to \$4,000 to replace them. Dealers, who are required to sell vehicles with CATs, are also responsible for paying for replacements when converters are stolen from vehicles on their lots. For example, one used car dealership in Sacramento recently reported paying \$40,000 to replace numerous converters stolen from cars on his lot over a three to four month period.

Most CATs are valued at over \$950, thus they already meet California's threshold for grand theft. However, current law makes it very difficult or nearly impossible to prove that they are stolen, despite how seemingly obvious it may be. Because CATs can be stolen in a matter of minutes, it's rare to catch a thief in the act. Furthermore, CATs are practically untraceable as there is no identification number or record of legitimate possession associated with them. The lack of identification makes it easy for thieves and shell scrap metal businesses to avoid consequences and makes it easier for recyclers to avoid liability for purchasing a stolen CAT.

SB 919 will help combat CAT thefts with a three-pronged approach:

1. Require new and used motor vehicle dealers to permanently mark the Vehicle Identification Number (VIN) on the catalytic converter before sale. This will create a way to identify CATs and help determine if it was stolen.
2. Only allow core recyclers to purchase CATs that have a visible and untampered VIN. Additionally, recyclers will be required to keep detailed records of all CAT sales from both businesses and individuals, removing the loophole for shell businesses to sell to recyclers blindly. These records must also be made accessible to law enforcement.
3. Add fines to the current penalties for theft of CATs. Additionally, this bill will make it easier to establish probable cause for arrest and prosecution based on specific facts, such as CAT marks consistent with illegal removal or CAT marks that do not match the possessor's vehicle.

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.

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 Apr. 11, 2022].)

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.)

This bill additionally prohibits a core recycler from purchasing a catalytic converter that is not permanently marked with the VIN from the vehicle from which it was attached and requires the core recycler to maintain a log for all purchases and receipts of catalytic converters. This bill provides that a violation of these requirements is a misdemeanor punishable by imprisonment in the county jail for up to one year and by a fine of \$1,000 for a first conviction, \$2,000 for a second conviction, and \$4,000 for a third conviction. Under existing law, a core recycler's

violation of requirements related to catalytic converter purchases is a misdemeanor, however, it is only punishable by specified fines, not imprisonment in jail. (Bus. & Prof. Code, § 21610, subd. (k).) This bill creates a harsher penalty for a violation of its provisions than what exists in current law for core recyclers involved in catalytic converter purchases.

This bill also creates a new crime for any person to buy, sell, receive, or possess a catalytic converter that has been obtained in any manner constituting theft, punishable as a wobbler depending on the value of the catalytic converter, and a new crime for removing, altering, or obfuscating any VIN or other unique marking that has been added to a catalytic converter, punishable as a misdemeanor.

3. Tools to Mark Catalytic Converters with Identification Numbers

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.

According to information provided by Senate Business and Professions Committee's analysis of this bill:

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.

(Sen. Com. on Business, Professions, and Economic Development, Rep. on SB No. 986 (2021-2022 Reg. Sess., Feb. 14, 2022, pp. 6-7.) Some police departments have also started to offer free catalytic converter etching programs.

According to the California New Car Dealers Association, 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, permanent marking of the catalytic converter will take hours of vehicle technician time and cost multiple hundreds of dollars to complete and does not target the vehicles that would be likely to have their catalytic converters stolen.

The Alliance for Automotive Innovation also raises concerns that etching or engraving could potentially damage the catalytic converter if not done properly and that there is little, to any, evidence that such marking serve as a deterrent to catalytic converter theft. For vehicles where the catalytic converter is hard to access, this could create a significant cost to consumers with very little law enforcement/public safety benefit.

4. Due Process Considerations

The Fourteenth Amendment to United States Constitution provides that “No state shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any state deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.” (U.S. Const. Amend. XIV.) The Fifth Amendment to the United States Constitution also provides that “No person shall . . . be deprived of life, liberty, or property without due process of law....” (U.S. Const. Amend. XIV.)

The guarantee to due process protects against practices or policies that violate notions of fundamental fairness. In interactions with law enforcement, due process requires any intrusions on a person’s privacy and freedom of movement to be reasonable. (U.S. Const. Amend., IV.) In criminal trials, the Due Process Clause protects the accused against conviction unless the prosecution proves beyond a reasonable doubt every element of the charged offense. (*In re Winship* (1970) 397 U.S. 358, 364.) A shifting of the burden of persuasion onto the defendant is impermissible under the Due Process Clause. (*Ibid.*, citing *Patterson v. New York* (1977) 432 U.S. 197, 215.)

This bill creates a new crime for any person to buy, sell, receive, or possess what is believed to be a stolen catalytic converter. The crime created by this bill may already be punished under existing laws that prohibit theft, grand theft, receiving stolen property, breaking or removing any part of a vehicle without the consent of the owner. Proponents of the bill state that proving that a detached catalytic converter is stolen is difficult if not impossible because catalytic converters can be stolen quickly and do not have any identifying markers to trace the item back to an owner. However, these characteristics also apply to many stolen goods.

To establish probable cause to make an arrest, law enforcement must show this that based on facts and circumstances known to the officer at the time of the arrest form a reasonable basis for believing that a crime may have been committed by the person arrested. (*Ohio v. Beck* (1964) 379 U.S. 89, 91.) While an arrest based merely on a hunch or suspicion does not meet the probable cause standard, the officer does not need to know with 100 percent certainty that the person had indeed committed a crime. “In dealing with probable cause, as the very name implies, the court deals with probabilities. These are not technical; they are the factual and practical considerations of everyday life on which reasonable and prudent men, not legal technicians, act.” (*Illinois v. Gates* (1983) 462 U.S. 213, 231.) Whether or not there is probable cause depends on the totality of the circumstances, meaning everything that the arresting officer knows or reasonably believes at the time the arrest is made.

In any prosecution, both direct evidence and circumstantial evidence may be used to prove an element of the crime beyond a reasonable doubt. (CALCRIM No. 223.) For example, the existing crime of buying or receiving stolen property, 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.) Circumstantial evidence to prove that the defendant had knowledge that the property was stolen could be met by possession of stolen property, accompanied by no explanation or an unsatisfactory explanation of possession or by other suspicious circumstances. (*People v. Azevedo* (1963) 218 Cal.App.2d 483.) However, whether defendant knew that goods were stolen is to be determined by all facts of case as weighed by the jury. (*People v. Clausen* (1898), 120 Cal. 381.)

This bill states that in establishing probable cause for an arrest for the new offense created by this bill, a peace officer does not need to have actual knowledge that the catalytic converter is

stolen. Probable cause may be established based on specific facts that in the particular circumstance lead the officer to reasonably believe that the catalytic converter is stolen which may include the condition of the catalytic converter and the person's prior arrests or convictions. As discussed above, the probable cause standard for arrests is not rigid or overly burdensome. It only requires a reasonable probability that the person arrested committed a crime. Prescribing specific facts that may meet this standard for one particular crime is contrary to how probable cause is determined in all other cases.

Furthermore, this bill states that the prosecution does not need to present a victim or prove that the catalytic converter was actually stolen. The prosecution may instead show that the nature of the catalytic converter is consistent with one that has been stolen. As discussed above, the use of circumstantial evidence to prove an element of any offense is already allowed, including theft-related offenses. However, stating that the prosecution need not prove an element of the offense may be more akin to creating a presumption against the defendant or lessening the burden on the prosecutor, thus such an approach could violate the Due Process Clause.

5. Related Legislation

Due to increased reports of catalytic converter thefts, several bills have been introduced this year to address the problem. In the Assembly, there are 7 bills that have been introduced on the issue of catalytic converters. In the Senate, there are 3 bills which include this bill, SB 986 (Umberg), and SB 1087 (Gonzalez).

SB 986 (Umberg) prohibits a car dealer or retailer from selling a new or used vehicle, except a collector motor vehicle, equipped with a catalytic converter unless the catalytic converter has been engraved or etched with the Vehicle Identification Number (VIN) of the vehicle to which it is attached and makes a violation of this prohibition punishable as an infraction. SB 986 also requires a core recycler to obtain and keep information regarding any identifying information etched or engraved on the catalytic converter. SB 986 requires payment for a catalytic converter to be made by any traceable method other than cash. Additionally, SB 986 amends existing law that exempts a core recycler from these recordkeeping requirements when the catalytic converter was purchased pursuant to a written agreement between the core recycler and the seller by requiring the core recycler to maintain a regularly updated log or record describing each catalytic converter received under the agreement. SB 986 contains two similar provisions to this bill: 1) prohibiting a car dealer or retail seller from selling a car equipped with a catalytic converter unless the catalytic converter has been engraved, etched, or otherwise permanently marked with the VIN with which it was attached, and 2) requiring core recyclers to maintain an updated log for all sales and receipts of catalytic converters.

SB 1087 (Gonzalez) makes it an infraction for any person to purchase a used catalytic converter from sellers other than certain specified sellers, including an automobile dismantler, an automotive repair dealer, or an individual possessing documentation, as specified, that they are the lawful owner of the catalytic converter. SB 1087 contained similar changes to the core recycler duties that are contained SB 986 but those provisions were amended out of the bill in Senate Business, Professions and Economic Development Committee to avoid any conflicts with SB 986.

SB 986 (Umberg), SB 1087 (Gonzalez), and this bill are all set to be heard by this Committee on the same day.

6. Arguments in Support

According to the El Cajon Police Department, the sponsor of this bill:

Because of catalytic converters' high value, thieves are stealing them at alarming rates. Catalytic converters can be stolen in less than two minutes using basic tools. California is the number one state for catalytic converter thefts. More than 18,000 Californians reported having their catalytic converter stolen in 2021, which represents a 1,337% increase since 2019, according to BeenVerified. While thieves profit from stolen converters, motorists pay up to \$4,000 to replace them.

SB 919 will help combat catalytic converter thefts with a three-pronged approach that 1) requires catalytic converters to be permanently marked; 2) requires recyclers to keep detailed records of all catalytic converter sales; and 3) adds fines to the current penalties for the theft of a catalytic converter and provides for easier arrests and prosecution.

7. Arguments in Opposition

According to ACLU California Action:

Under existing law, a person may be prosecuted for stealing car parts, or for illegally possessing stolen car parts. (Penal Code §§ 487, 496; Vehicle Code § 10852.) Offenders may receive up to a year in custody if the property is worth less than \$950, and up to three years in custody if the property is worth more. (Ibid.) Before any person may be prosecuted for theft or illegal possession, however, existing law also requires proof that the parts in question were actually stolen.

SB 919 would flip that standard on its head, allowing the conviction of an innocent person for possessing a catalytic converter without proof that the catalytic converter was stolen, simply on the basis of factors such as the defendant being “unable to reasonably account for the origin of the catalytic converter,” or possessing tools that are commonly used to remove catalytic converters – tools which the defendant may own for perfectly legal purposes. SB 919 then increases the penalty for buying, selling, or possessing a purportedly stolen catalytic converter to allow imprisonment for up to three years – again, regardless of whether the prosecution can prove that the part was stolen or that the defendant knew that the part was stolen.

Locking people up for years without having to prove they have actually committed a crime is not only unjust, it will do nothing to lessen the incidence of catalytic converter theft.

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