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GEICO ■ Office of the Legislative Counsel ■ 5260 Western Avenue ■ Chevy Chase, MD 20815

April 3rd, 2023

Representative DeLena Johnson
State Capitol Room 505
Juneau, AK 99801

RE: SUPPORT: House Bill 118 – Sale and Possession of Catalytic Converters

Dear Representative Johnson:

On behalf of GEICO, Alaska's second largest auto insurer, I write to convey our support for House Bill 118. GEICO's goal is to keep costs affordable for our customers, which is why we applaud this effort to address an issue that is having a significant monetary impact on Alaskan drivers.

The National Insurance Crime Bureau reports that catalytic converter thefts increased 1,215% between 2019 and 2022.¹ An increase in market values for the metals in catalytic converters has driven this surge in thefts. The costs borne by consumers because of these thefts is significant, as repair costs can be at least \$2000 to \$3000.² Moreover, consumers faced with replacing their catalytic converters can often be without their vehicle for extended periods of time, as recent supply chain and labor issues have significantly increased average repair wait times.

With the passage of House Bill 118, Alaska would join states across the country that have taken proactive steps to reduce catalytic converter thefts, with some success. In Washington, where a statute was enacted last year which, among other things, requires proof that a catalytic converter has come from a vehicle registered to the seller, recyclers and law enforcement in Spokane have observed a decrease in catalytic converter thefts.³ It is our hope that passage of House Bill 118 will yield similar results in Alaska.

¹ "As Catalytic Converter Thefts Continue to Increase Nationwide, NICB Partners with Local Businesses to Help Protect Consumers | National Insurance Crime Bureau." January 27, 2023. Accessed March 31, 2023. <https://www.nicb.org/news/news-releases/catalytic-converter-thefts-continue-increase-nationwide-nicb-partners-local-0>.

² "More than 150,000 Catalytic Converters Were Replaced in 2022, and Theft May Be Underreported, Data Suggests." 2023. WGN-TV. March 17, 2023. <https://wgntv.com/news/nexstar-media-wire/more-than-150000-catalytic-converters-were-stolen-in-2022-and-the-problem-may-be-underreported-data-suggests/>.

³ Sorotsky, Brontë. "Catalytic Converter Thefts Decline Five Months after Washington Law Takes Effect." KXLY Kxly.com. Dec 28, 2022. Updated Jan 13, 2023. Accessed March 31, 2023. https://www.kxly.com/news/crime/catalytic-converter-thefts-decline-five-months-after-washington-law-takes-effect/article_a59682a0-96e7-57b3-bd34-f06bf5427c6c.html.

Thank you for sponsoring this important legislation. GEICO appreciates your consideration of these comments.

Sincerely,

A handwritten signature in cursive script that reads "Eboné A. Liggins".

Eboné Liggins
Legislative Counsel, GEICO
eliggins@geico.com
301-986-3766