

May 3, 2023

Chair Laddie Shaw and Members of the Committee  
Committee on State Affairs  
Alaska House of Representatives

RE: HB 118 – Catalytic Converter Theft - SUPPORT

Dear Chair Shaw and Members of the Committee:

The National Insurance Crime Bureau (NICB) is a national, century-old, not-for-profit organization supported by approximately 1,200 property and casualty insurance companies, including many who write business in Alaska. Working hand-in-hand with our member companies and Alaska state and local law enforcement, we help to detect, prevent, and deter insurance crimes, including vehicle theft.

Catalytic converter theft has skyrocketed in recent years in part due to the significant rise in the price of various precious metals, including rhodium, platinum, and palladium. All are used in the construction of catalytic converters. Criminals are seizing the opportunity to profit off these increased prices by removing the catalytic converter from vehicles – in relatively easy fashion – and selling the stolen part on the black market. The component precious metals can be recycled into new products. Nationally, catalytic converter thefts more than quadrupled from 3,389 in 2019 to 14,433 in 2020. Thefts jumped dramatically yet again to over 52,000 in 2021, an increase of 1,215% since 2019.

Additionally, installing a replacement catalytic converter can cost thousands of dollars. Because thieves try to remove the converters as quickly as possible, their hastiness often causes higher repair costs due to incidental damage. Moreover, businesses with large vehicle fleets, such as vehicle dealerships or utility companies, are often targeted due to the number of potential marks in a small area. Thefts from commercial carriers can lead to replacement costs in excess of tens of thousands of dollars, and additional lost revenue due to halted operations.

House Bill 118 seeks to curb catalytic converter thefts by, among other things: criminalizing possession of a used catalytic converters in certain instances; limiting purchases of used catalytic converters to scrap metal dealers; and imposing certain record keeping requirements on scrap metal dealers. This bill will help deter catalytic converter thefts by discouraging illegal secondary market sales and providing law enforcement with additional records to help investigate cases.

**Accordingly, we respectfully request your support for HB 118**

We thank you for scheduling a hearing and for considering our views as you deliberate the merits of this bill. We strongly encourage you to utilize NICB as a resource and partner in the fight against catalytic converter theft. If you have any questions or need additional information, please contact me at [hhandler@nicb.org](mailto:hhandler@nicb.org) or 847-544-7083.

Sincerely,



Howard Handler, MPPA  
Senior Director  
Strategy, Policy and Government Affairs