

SENATE BILL REPORT

E2SHB 1815

As of February 21, 2022

Title: An act relating to deterring catalytic converter theft.

Brief Description: Deterring catalytic converter theft.

Sponsors: House Committee on Transportation (originally sponsored by Representatives Ryu, Boehnke, Johnson, J., Berry, Fitzgibbon, Orwall, Shewmake, Leavitt, Chase, Sells, Gregerson, Bateman, Fey, Goodman, Robertson, Macri, Ramos, Santos, Wylie, Simmons, Slatter, Bergquist, Tharinger, Valdez, Thai, Wicks, Pollet, Graham, Young and Frame).

Brief History: Passed House: 2/12/22, 68-30.

Committee Activity: Law & Justice: 2/21/22.

Brief Summary of Bill

- Requires the Joint Transportation Committee to convene a catalytic converter theft work group.
- Requires the Washington Association of Sheriffs and Police Chiefs, when funded, to establish a grant and training program to assist local law enforcement agencies targeting metal theft.
- Requires scrap metal businesses engaging in a transaction involving a catalytic converter removed from a vehicle to maintain documentation that the seller's private metal property was the result of the seller replacing private metal property from a vehicle registered in the seller's name.

SENATE COMMITTEE ON LAW & JUSTICE

Staff: Joe McKittrick (786-7287)

Background: Scrap Metal. A scrap metal business is a scrap metal supplier, scrap metal

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

recycling center, or scrap metal processor. Businesses engaged in purchasing or receiving private, nonferrous, or commercial metal property must comply with certain statutory requirements, including specific record keeping, restrictions on transactions, and obligations to cooperate with law enforcement. Certain violations of these requirements carry criminal penalties. For instance, it is a gross misdemeanor, punishable by 365 days in jail, a \$5,000 fine, or both, to knowingly make any false entry or misstatement of any material matter in any record required to be kept.

"Private metal property" means catalytic converters, either singly or in bundles, bales, or bulk, that have been removed from vehicles for sale as a specific commodity. Crimes involving theft of private metal property are classified by the value of the private metal property stolen. If a person commits theft of private metal property and the costs of the damage to the owner's property exceed \$5,000, the person is guilty of the class B felony of theft in the first degree. If the costs of the damage to the owner's property is over \$750, but do not exceed \$5,000, the person is guilty of the class C felony of theft in the second degree. If the costs of the damage to the owner's property do not exceed \$750, the person is guilty of theft in the third degree.

Metal Theft Grant Program. In 2013, the Legislature enacted a bill requiring the Washington Association of Sheriffs and Police Chiefs, when funded, to establish a grant program to assist local law enforcement agencies in support of special enforcement emphasis targeting metal theft. Funding has yet to be provided.

Grant applicants are required to:

- show a significant metal theft problem in the jurisdiction or jurisdictions receiving the grant;
- verify that grant awards are sufficient to cover increased investigation, prosecution, and jail costs;
- design an enforcement program that best suits the specific metal theft problem in the jurisdiction or jurisdictions receiving the grant;
- demonstrate community coordination focusing on prevention, intervention, and suppression; and
- collect data on performance.

Grant applications must be reviewed and awarded through peer review panels. Grant applicants are encouraged to utilize multi-jurisdictional efforts. The cost of administering grants may not exceed \$60,000, or 3 percent of appropriated funding, whichever is greater. Grant awards may not be used to supplant preexisting funding sources for special enforcement targeting metal theft.

Summary of Bill: Work Group. The Joint Transportation Committee must convene a catalytic converter theft work group to examine ways to reduce catalytic converter theft in Washington State. The work group must consist of members of affected stakeholder groups including members of law enforcement, affected businesses, the insurance industry, and the

criminal justice system.

At a minimum, the work group must study:

- state laws related to catalytic converter theft;
- national efforts to address catalytic converter theft to determine best practices to deter catalytic converter theft;
- data collection and analysis of catalytic converter theft incidents across the state;
- options to deter and end catalytic converter theft; and
- options and opportunities to reduce costs to victims of catalytic converter theft.

The work group must provide a preliminary report and recommendations to the transportation and public safety committees of the legislature by November 1, 2022, and a final report and recommendations by January 1, 2023. The recommendations must include:

- changes to state law to reduce catalytic converter theft;
- a potential pilot program that could be implemented to decrease catalytic converter theft; and
- cost estimates for the pilot program and recommendations on evaluation criteria and metrics to determine the efficacy and benefits of the pilot program.

Scrap Metal Business Transactions Involving Private Metal Property. A scrap metal business conducting a transaction specifically involving a catalytic converter that has been removed from a vehicle must maintain documentation indicating that the private metal property in the seller's possession is the result of the seller replacing private metal property from a vehicle registered in the seller's name.

Metal Theft Grant and Training Program. When funded, the Association of Sheriffs and Police Chiefs must establish a grant and training program to assist local law enforcement with special enforcement targeting metal theft. Grant Applications must be reviewed through peer review panels after coordination with other appropriate entities, such as those involved with enforcement against metal theft. Grant applications with a demonstrated increase in metal theft over the previous 24 months are encouraged to focus solely on metal theft and unlawful purchasing and selling of unlawfully obtained metal in their jurisdiction but may coordinate with other jurisdictions.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Catalytic converter theft is a rising crime in our state, and the Legislature needs to act. While we already have laws targeting catalytic

converter theft, this bill represents another tool that will allow law enforcement officers to do their jobs. This bill brings together stakeholders to develop new strategies to drive down the rates of catalytic converter thefts. Washington is the fourth worst state in regard to catalytic converter theft, and this bill will help reverse this trend.

Communities throughout the state have seen a wave of catalytic converter thefts and we need new laws to address this rising issue. This crime can be devastating to its victims and often means that cost of replacing the catalytic converter is more expensive than the value of the car itself. It is a huge destruction to societal wealth when the cost of repairing the damage can cost around \$2,000 while those who steal the catalytic converters are getting about one tenth of that. This bill would help communities address this problem.

This is not the first time the Legislature has dealt with this problem, and the last time the work of the Legislature did not adequately address the issue. In particular, the work group in this bill is of vital importance to get to the facts surrounding what is going on with catalytic converter thefts.

Catalytic converter theft has impacted all aspects of the market. This issue is larger than Washington State, and while we need to do our part, it will take a multi-state effort to address this issue.

It is undeniable that something must be done to address catalytic converter theft. This bill provides steps in the right direction to prevent and deter catalytic converter theft in Washington.

OTHER: Scrap yards are already required to keep documentation of transactions involving catalytic converters and support the provision of this bill.

Persons Testifying: PRO: Representative Cindy Ryu, Prime Sponsor; Matt Mahoney, Mayor - City of Des Moines; Taylor Gardner, WASPC; Jim King, Independent Business Association; Laurie Layne; Brad Tower, Schnitzer Steel.

OTHER: Holly Chisa, Institute of Scrap Recycling Industries.

Persons Signed In To Testify But Not Testifying: No one.