



WISCONSIN STATE SENATE

DAN KNODL

STATE SENATOR • 8TH DISTRICT

Senate Bill 879

Public Testimony

Senate Committee on Judiciary and Public Safety

January 30, 2024

Thank you, members of this committee, for receiving my testimony on Senate Bill 879.

In just two short lines, this bill makes it easier to prosecute the theft of catalytic converters. It also lessens a burden placed on the victims of this crime.

It is a felony to steal a “major” part of a vehicle. State law lists a variety of parts that qualify as “major” components, along with any component that has a value exceeding \$500. Catalytic converters easily surpass \$500 in value, but their omission from the list provided in state law requires the owner to go through the hassle of demonstrating that the theft exceeded \$500. As more and more people find themselves in this unfortunate situation, we owe it to them to minimize the resulting inconvenience and ensure that justice is served. Going forward, improved prosecution of catalytic converter thefts will also act as a deterrent.

I would like to thank Representative Rettinger for his work on this bill. Thank you for taking the time to consider this proposed legislation.

NIK RETTINGER

STATE REPRESENTATIVE • 83rd ASSEMBLY DISTRICT

TESTIMONY ON SENATE BILL 879 Senate Committee on Judiciary and Public Safety January 30, 2024

Good morning, Chairman Wanggaard and other distinguished members of the Senate Committee on the Judiciary and Public Safety. I appreciate the opportunity to testify on Senate Bill 879 today.

It is no secret that catalytic converter thefts have been an issue in Wisconsin that has only grown more rampant in recent years. These thieves have become remarkably efficient, able to saw off a catalytic converter in approximately 50 seconds. Furthermore, the thieves are so emboldened they are sawing catalytic converters off of cars in often very public places such as school and apartment building parking lots.

I want to highlight that this isn't just a problem limited to Milwaukee, Madison, or their suburban metro areas, but is in fact a concern across the entire state. Earlier this year, Chippewa Falls police caught a suspected catalytic converter thief who is accused of stealing 15 catalytic converters in the first two months of 2023 alone.

By request of the Waukesha County District Attorney's Office, this bill was authored to help streamline the process of prosecuting this crime to better hold these individuals accountable and ensure they are prosecuted to the fullest extent of the law.

Currently, when a catalytic converter is stolen from a vehicle, prosecutors must undertake the burdensome task of finding a mechanic, invoicing what a potential repair would cost in both parts

and labor, and then have that mechanic testify in the affirmative of such costs in order to attempt to demonstrate an impact of \$500 or more to adequately charge the theft. Senate Bill 879 adds catalytic converters to the list of parts of an automobile considered "major," which presently includes parts such as the engine, transmission, and doors among others.

This crime, much like our discussions on the topic of reckless driving and carjacking, has an inordinate impact on working families and single-parent households which can become paralyzed due to a theft of this nature. Beyond functionality of your vehicle with a major component missing, in counties such as Milwaukee, Waukesha, and Washington you must be able to pass an emissions test in order to successfully register your vehicle with the state of Wisconsin. Driving an unregistered vehicle would be in violation of state law. Losing access to your means of transportation can impact your ability to work and provide care for family members.

I am proud to have authored this bill with Senator Dan Knodl with bipartisan co-sponsorship in both chambers and appreciate the Waukesha County District Attorney's Office for working with us to bring this proposal before the Legislature. I would also like to note that the Assembly version of this proposal was passed 13-0 out of the Committee on Criminal Justice and Public Safety and approved by a unanimous voice vote on the Assembly Floor. Thank you again, Mr. Chairman, for the public hearing today and I ask for the Committee's support of SB 879.

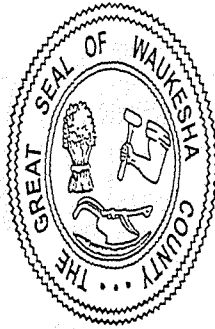
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Waukesha County

Office of the District Attorney

November 29, 2023

Representative Nik P. Rettinger
Assembly District 83
Room 8 West
State Capitol
PO Box 8953
Madison, WI 53708

Dear Representative Rettinger

I am writing in support of Assembly Bill 637.

This bill is necessary to improve the efficiency and likelihood of prosecution.

In our experience, all the "major auto parts" listed specifically in the statute are frankly things that are never stolen. Catalytic converters are stolen with far more frequency than any other item on a vehicle. The metal inside the catalytic converter can be scrapped and sold for cash.

In the current "removal of major auto parts statute" there is a provision that allows us to charge for auto parts that are removed that are valued over \$500. Many times a catalytic converter does not meet this threshold. In our experience, the only vehicles where the catalytic converter was, by itself, valued at more than \$500, is for a Tesla. It is also unclear if that \$500 amount is meant to include labor for the replacement. This requirement puts a burden on the state to bring in someone at trial that is qualified to value the catalytic converter and the labor to get us over the \$500 threshold. This is cumbersome. Adding the Catalytic converter to the statute will make prosecution far easier and less costly and it addresses a major immediate issue facing our communities. Further, the criminal thinking to remove a catalytic converter is identical to the removal of any other major auto part and should be addressed in the same way by the statute.

The evaluation of a case then switches to criminal damage to property, which does allow for us to account for the cost of repair or replacement "whichever is less", but this puts the onus on victims to choose the more expensive replacement cost and hope to be reimbursed some day for the felony charge. Sensibly though, most victims choose the lesser cost of repair when that option is available, and the defendant can then only be charged for a misdemeanor for the same conduct and generally leaves victims with less value in their vehicle given a repair of a damaged part as opposed to a clean replacement.

We have seen this crime has become more frequent and we have seen more crews coming from Chicago and elsewhere just helping themselves to cars parked in driveways or on the street. They are very quick about their work. They often work in three man teams, almost like pit crews, where they have a jack man, a lookout and a saw man and they are gone in roughly a minute or less. All of this to say it has become a high reward low risk crime for these crews that come from outside of the county and more and more frequently from out of state.

Finally, in the situation where the offenders are caught and placed in custody, we have to file charges within 48 hours. It is difficult to identify and obtain the needed information about the value of the catalytic converter in such a short amount of time.

For all these reasons, we strongly encourage you to pass this Bill.

Very truly yours,



Susan L. Opper
District Attorney
Waukesha County

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Wisconsin State Lodge *Fraternal Order of Police*



PO Box 206 West Bend, WI 53095

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Jerry Johnson
National Trustee

January 30, 2023

Wisconsin Fraternal Order of Police Testimony in Support of Senate Bill 879

Senate Committee on Judiciary and Public Safety

Thank you, Senator Wanggaard and fellow committee members for the opportunity to provide testimony in support of Senate Bill 879. My name is Scott Nauman, and I am a member of Fraternal Order of Police Kettle Moraine Lodge #10. The Fraternal Order of Police is the world's largest organization of sworn law enforcement officers, with more than 367,000 members in more than 2,200 lodges. The Wisconsin State Lodge proudly represents more than 3,000 members in 27 lodges throughout the state. We are the voice off those who dedicate their lives to protecting and serving our communities. We are committed to improving the working conditions of law enforcement officers and the safety of those we serve through education, legislation, information, community involvement and employee representation.

Catalytic converter theft has become a significant concern across the United States in recent years, including in Wisconsin. According to recent data from the National Insurance Crime Bureau, Wisconsin has also seen a surge in catalytic converter thefts, with insurance claims for these thefts increasing from 16,660 claims in 2020 to 64,701 in 2022.

Theft of catalytic converters can result in expensive repairs for vehicle owners. Thieves can make between \$50 and \$875 per converter depending on the type and the amount of precious metals present. The cost of replacing a stolen catalytic converter can be much higher, with some estimates ranging from \$1,000 to \$5,000, depending on the make and model of the vehicle.

In addition to the cost of replacing stolen converters, businesses that rely on vehicles for their operations can also be impacted by catalytic converter theft. If a company has several vehicles targeted by thieves, it can result in significant downtime and loss of productivity. This can ultimately impact the company's bottom line.

Furthermore, the rise in catalytic converter theft has also led to an increase in insurance premiums for vehicle owners. Insurance companies may raise premiums for individuals and businesses that are at higher risk for theft, such as those with vehicles that are frequently parked in vulnerable areas.



Wisconsin State Lodge *Fraternal Order of Police*



PO Box 206 West Bend, WI 53095

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Sergeant at Arms

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Immediate Past President

Jerry Johnson
National Trustee

Under current law, it is a Class I felony to remove a “major part” of a vehicle without the consent of the owner. Included in the list of “major parts” are the engine, transmission, doors, hood, grille, bumper, front fenders, deck lid, tailgate or hatchback, rear quarter panels, trunk floor pan, frame or supporting structure which serves as the frame.

Senate Bill 879 adds catalytic converters to the list “major parts” and allow law enforcement officers and prosecutors to effectively address this problem and hold offenders accountable for the harm they are doing to members of our communities. We feel this is a common sense solution to address a modern problem that the original authors of this statute couldn’t have possibly predicted, but has become an unfortunate necessity.

Thank you again for the opportunity to testify in support of this bill, and I am happy to answer any questions you may have.



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TO: Members of the Senate Judiciary and Public Safety Committee

RE: Support Senate Bill 879/Assembly Bill 637, relating to the removing a catalytic converter without consent and providing a penalty.

On behalf of the Wisconsin Insurance Alliance, I request your support for Senate Bill 879 and Assembly Bill 637, relating to the removing a catalytic converter without consent and providing a penalty.

As you know, the Wisconsin Insurance Alliance is a 94-year-old trade association representing large and small Wisconsin domiciled and national insurers on public policy and regulatory matters.

Catalytic converter thefts have had a significant impact on insurance premiums and losses. The rise in these thefts has led to increased claims and financial losses for insurance companies, resulting in higher premiums for policyholders. The cost of replacing stolen catalytic converters, coupled with the potential damage to the affected vehicles, has contributed to a spike in insurance claims related to these incidents.

Insurance companies have been forced to adjust their premium rates to account for the growing frequency of catalytic converter thefts. As a result, policyholders may experience higher insurance costs, particularly for comprehensive coverage that includes theft-related incidents. In addition to financial implications, catalytic converter thefts have raised concerns about the vulnerability of certain vehicle models and the ease with which thieves can target these valuable components. Insurers and law enforcement agencies are working together to develop strategies to combat this trend, but until a comprehensive solution is found, the impact on insurance premiums and losses is likely to persist. The average cost of catalytic converter theft can vary widely depending on several factors, including the type of vehicle, location, and whether the theft caused additional damage to the vehicle. Recent data indicates the average cost of catalytic converter replacement and associated repairs was estimated to be in the range of \$1,000 to \$3,000.

However, it's essential to note that these figures are general estimates, and costs can vary significantly. High-demand metals like platinum, palladium, and rhodium found in catalytic converters contribute to their value on the black market, and prices for these metals can fluctuate, impacting the overall cost of replacement.



January 29, 2024

Chair Van H. Wanggaard and Members of the Committee
Committee on Criminal Justice & Public Safety
Wisconsin Assembly

RE: A.B. 637 / S.B. 879 – Catalytic Converters

Dear Chair Wanggaard 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 Wisconsin. Working hand-in-hand with our member companies and Wisconsin law enforcement, we help to detect, prevent, and deter insurance crimes, including vehicle and catalytic converter theft. While NICB provides value to our member companies, we also serve a significant public benefit by helping to stem the estimated billions of dollars in economic harm that insurance crime causes to individual policyholders across the country every year.

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 from 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, based on insurance claims, thefts of catalytic converters increased significantly from 2020 through 2022. Insurance claims for these thefts increased from 16,660 claims in 2020 to 64,701 in 2022.

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. Theft from commercial carriers can lead to replacement costs in excess of tens of thousands of dollars, and additional lost revenue due to halted operations.

A.B. 637 / S.B. 879 seeks to curb catalytic converter thefts by making it a felony to remove a catalytic converter from a vehicle without the owner's consent; punishable by a fine up to \$10,000 or imprisonment up to three years and six months or both a fine and imprisonment.

Accordingly, we respectfully request your support for A.B. 637 / S.B. 879.

Thank you for your consideration. If you have any questions or need additional information, please contact me at csepich@nicb.org or (847) 772-7667.

Sincerely,

Craig Sepich

Craig Sepich
Director
Office of Strategy, Policy, & Government Affairs
National Insurance Crime Bureau