



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTIETH LEGISLATURE, 2020**

ON THE FOLLOWING MEASURE:
S.B. NO. 2742, RELATING TO THEFT.

LATE

BEFORE THE:

SENATE COMMITTEE ON JUDICIARY

DATE: Tuesday, February 11, 2020 **TIME:** 10:10 a.m.

LOCATION: State Capitol, Room 016

TESTIFIER(S): Clare E. Connors, Attorney General, or
Lance Goto, Deputy Attorney General

Chair Rhoads and Members of the Committee:

The Department of the Attorney General (the Department) offers the following comments on this bill.

The purpose of this bill is to establish the offense of theft of catalytic converter as a class C felony; define "catalytic converter;" and require scrap dealers to follow the same requirements regarding a written statement for the purchase of a catalytic converter as is required for the purchase of copper, beer kegs, and urns.

Section 3 of the bill includes catalytic converters with the scrap dealer purchase provisions of part X, of chapter 445, Hawaii Revised Statutes (HRS). But licensed scrap dealers cannot deal in used motor vehicle parts. The issue is that the sale of used auto parts, like catalytic converters, is controlled by chapter 289, HRS, entitled "Used Motor Vehicle Parts and Accessories." To deal in such used auto parts, a dealer, including a scrap dealer, would have to be licensed under chapter 289. That is why "scrap" is defined under section 445-231, HRS, as "any secondhand or used metal except those used motor vehicle parts provided in chapter 289." It specifically excludes used motor vehicle parts. And section 289-1, HRS, defines "used motor vehicle part or accessory" as "a motor vehicle part or motor vehicle accessory which has been the subject of prior sale at retail, either individually or attached to a motor vehicle as a component part or accessory thereof." That definition would appear to include a catalytic converter.

Page 1 of the bill attempts to establish the crime of theft of catalytic converter as follows:

- (1) A person commits the offense of theft of catalytic converter if the person:
 - (a) Obtains a catalytic converter through any means described in section 708-830; or
 - (b) Violates section 445-233 in regard to a catalytic converter.

To be consistent with existing Penal Code provisions, paragraph (a) could simply read, "commits theft of a catalytic converter." This would be consistent with the theft of firearm and dynamite provisions of section 708-830.5, HRS. And the theft provisions of section 708-830, HRS, would automatically apply.

Paragraph (b) may be deleted. It does not describe a theft offense, as violations of section 445-233, HRS, involve violations of transaction documentation requirements, not theft itself. And violations of section 445-233, HRS, already have their own penalties, as set out in section 445-235, HRS.

The Department appreciates the opportunity to share its concerns.

LATE

February 10, 2020

Chair Karl Rhoads and Members of the Committee
Committee on Judiciary
Hawaii State Senate

RE: Senate Bill 2742 – Catalytic Converter Theft

Dear Chair Rhoads and Members of the Committee:

The National Insurance Crime Bureau (NICB) is a national, century-old, not-for-profit organization supported by approximately 1,300 property and casualty insurance companies, including many who write business in Hawaii. Working hand-in-hand with our member companies and law enforcement, we investigate organized criminal conspiracies dealing with insurance fraud and vehicle crime.

Catalytic converter theft is on the rise, in part due to the rise in prices associated with precious metals, including rhodium, platinum, and palladium which are used in the construction of catalytic converters as these metals act as catalysts, removing toxic elements from the exhaust stream.

The relative easy and speed in which a thief can remove a catalytic converter, coupled with the financial reward a thief can reap selling the scrap metal is what drives thefts.

Installing a replacement catalytic converter costs hundreds to thousands of dollars, and because thieves try to remove the converters as quickly as possible, their hastiness often causes repair costs to be higher due to other areas of the car being damaged.

Among the most targeted business establishments for catalytic converter thefts are vehicle dealerships and fleet operation such as shipping companies. This is due to the large number of converters all in the same place. Thefts from these type of places can lead to replacement costs in excess of tens of thousands of dollars, and additional lost revenue due to halted operations.

Subsequently, we ask for your support of SB 2742 which establishes the offense of theft of catalytic converter as a class C felony, and requires scrap dealers to follow the same requirements regarding a written statement for the purchase of a catalytic converter as is required for the purchase of copper, beer kegs, and urns.

Thank you for your review and consideration; if you have any questions or need additional information, please contact me at hhandler@nicb.org or 847-544-7083.

Sincerely,



Howard Handler
Director, Government Affairs

SB-2742

Submitted on: 2/10/2020 1:50:59 PM

Testimony for JDC on 2/11/2020 10:10:00 AM

LATE

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Kitchens	Testifying for Stolen Stuff Hawaii	Support	No

Comments:

LATE

SB-2742

Submitted on: 2/10/2020 1:32:55 PM

Testimony for JDC on 2/11/2020 10:10:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeanette White	Individual	Support	No

Comments:

LATE

SB-2742

Submitted on: 2/10/2020 2:03:36 PM

Testimony for JDC on 2/11/2020 10:10:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
caroline ginnane	Individual	Support	No

Comments:

I support this bill. I think Hawaii needs to be tougher on crime and this should prevent the sales of stolen catalytic converters if they're harder to sell for cash.

LATE

SB-2742

Submitted on: 2/10/2020 2:17:21 PM
Testimony for JDC on 2/11/2020 10:10:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
John Kamioka	Individual	Support	No

Comments:

Stop these thieves.

LATE

SB-2742

Submitted on: 2/10/2020 2:51:34 PM

Testimony for JDC on 2/11/2020 10:10:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kevin Kacatin	Individual	Support	No

Comments:

The continued plague of property crimes in Hawaii should be enough to have this measure advance forward.

LATE

SB-2742

Submitted on: 2/11/2020 12:11:50 AM

Testimony for JDC on 2/11/2020 10:10:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Gerard Silva	Individual	Oppose	No

Comments:

This is not Need Here in Hawaii one less regulation that is need here.

The people of Hawaii Oppose this Bill.