

TO: Members of the House Commerce Committee

FROM: Rory Whelan, Regional Vice President

DATE: April 11, 2023 – Public Hearing

RE: **Support for S 48** --- Catalytic Converter Reporting & VIN

The National Association of Mutual Insurance Companies (NAMIC)¹ and its members, thank you for the opportunity to express strong support for legislation referenced above and urge its swift enactment.

This legislation would strengthen reporting requirements, limit sales, and require a vehicle identification number (VIN) be stamped on catalytic converters of motor vehicles.

In the past several years, catalytic converter theft has grown exponentially in severity, frequency and monetary impact on auto insurance insurers and policyholders. In fact, last year, in Vermont, catalytic converter thefts increased by 41.86% placing the Green Mountain State 13th among “hot spot” states for catalytic converter thefts in 2022.²

This is part of an alarming, national trend. According to a report by the National Insurance Crime Bureau (NICB), catalytic converter thefts increased 1,215% between 2019 and 2022.³

A contributing factor to this rash of thefts is 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 exploiting this opportunity to profit from pandemic-related demands for this raw material and related challenges in the worldwide supply chain. In addition to the illegal sale of these stolen converters on the “black market,” the component precious metals can be recycled into new products. This legislation will reduce catalytic converter thefts by requiring a VIN be stamped on each catalytic

¹ [The National Association of Mutual Insurance Companies consists of more than 1,500 member companies, including seven of the top 10 property/casualty insurers in the United States. NAMIC member companies write \\$357 billion in annual premiums and represent 69 percent of homeowners, 56 percent of automobile, and 31 percent of the business insurance markets.](#)

² [Catalytic Converter Thefts Hit New Record in 2022 But Some States See Declines \(beenverified.com\)](#)

³ [As Catalytic Converter Thefts Continue To Increase Nationwide, NICB Partners With Local Businesses To Help Protect Consumers | National Insurance Crime Bureau](#)



converter thus giving law enforcement and regulators better access to investigate catalytic converter thefts.

For these reasons, NAMIC and its member companies respectfully ask that you support S 48.

Thank you for your consideration.