



February 7, 2022

Colorado State Senate
Senate Committee on Transportation and Energy
Senator Faith Winter, Chair
Support Statement: Senate Bill 22

Dear Chair Winter 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 Colorado. Working hand-in-hand with our member companies and Colorado state and local law enforcement, we help to detect, prevent, and deter insurance crimes, including vehicle 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 policy holders across the country every year.

We write in support of Senate Bill 22 before the Committee which seeks to combat catalytic converter theft.

Catalytic converter theft has skyrocketed over the past two 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.

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.

In closing, NICB supports passage of Senate Bill 22 to address catalytic converter theft in the State of Colorado.

If you have any questions or need additional information, please feel free to contact me at tlynch@nicb.org,

Sincerely,

A handwritten signature in blue ink, appearing to read "Tim Lynch". The signature is stylized and fluid.

Tim Lynch
Senior Director, Government Affairs
NICB