

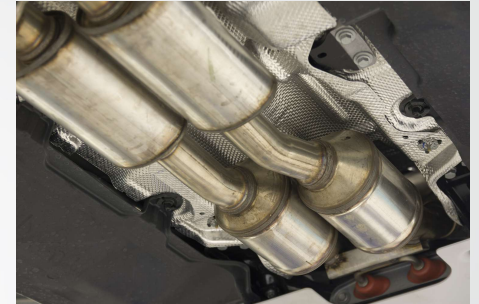
# CATALYTIC CONVERTER ORDINANCE



PUBLIC SAFETY & HOMELAND SECURITY COMMITTEE

PRESENTED BY:  
COMMANDER SALAM ZIA  
PROPERTY AND FINANCIAL CRIMES DIVISION  
HOUSTON POLICE DEPARTMENT  
APRIL 28, 2022

# What is a Catalytic Converter?

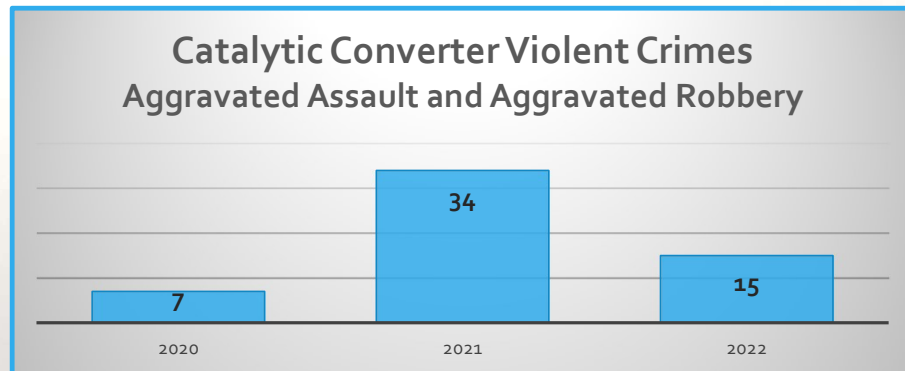
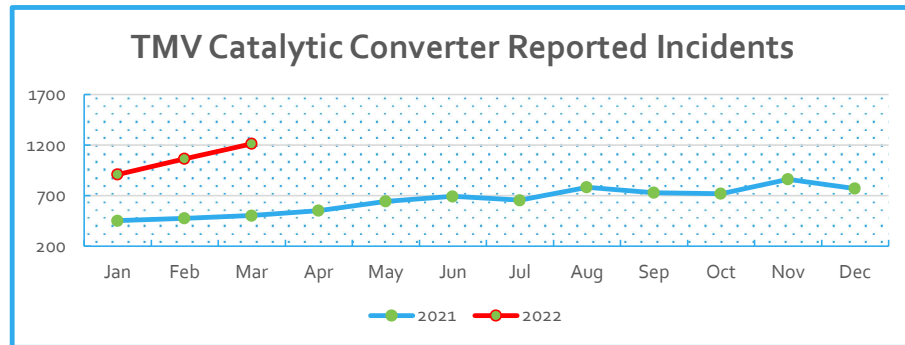


- An exhaust emission control device normally attached to the undercarriage of a vehicle that designed to convert harmful (pollutant) gases created by the engine into less toxic gases before being released into the environment by the exhaust.
- US EPA issues federal guidelines, but states have developed further guidance as well
- All motor vehicles have, some have more than others
- Contain valuable precious metals like rhodium, palladium, and platinum

# Catalytic Converter Crimes Trend

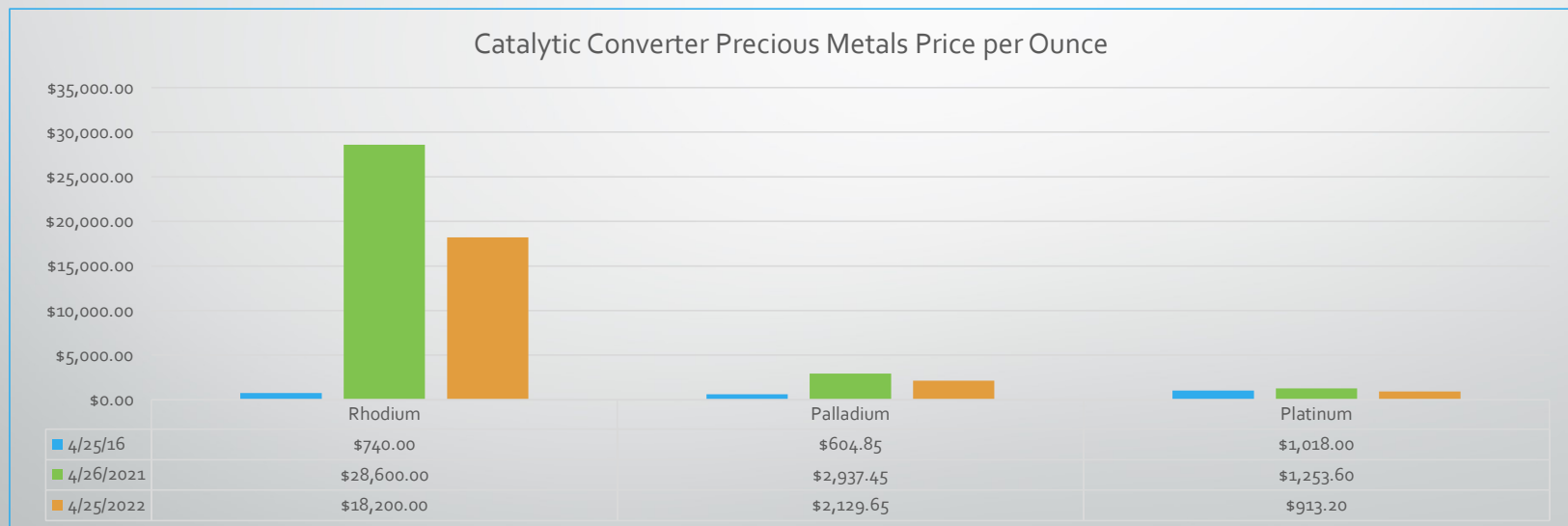
Houston Police Department Auto Theft Division  
 Citywide **Catalytic Converter Theft** Reported Incident Comparisons

YTD Reported Incidents			
Month	2021	2022	% Change
Jan	451	910	101.8%
Feb	474	1,064	124.5%
Mar	501	1,214	142.3%
Apr	550		
May	643		
Jun	691		
Jul	653		
Aug	781		
Sep	728		
Oct	718		
Nov	862		
Dec	770		
<b>YTD</b>	<b>7,822</b>	<b>3,188</b>	



## Why are catalytic converter thefts on the rise?

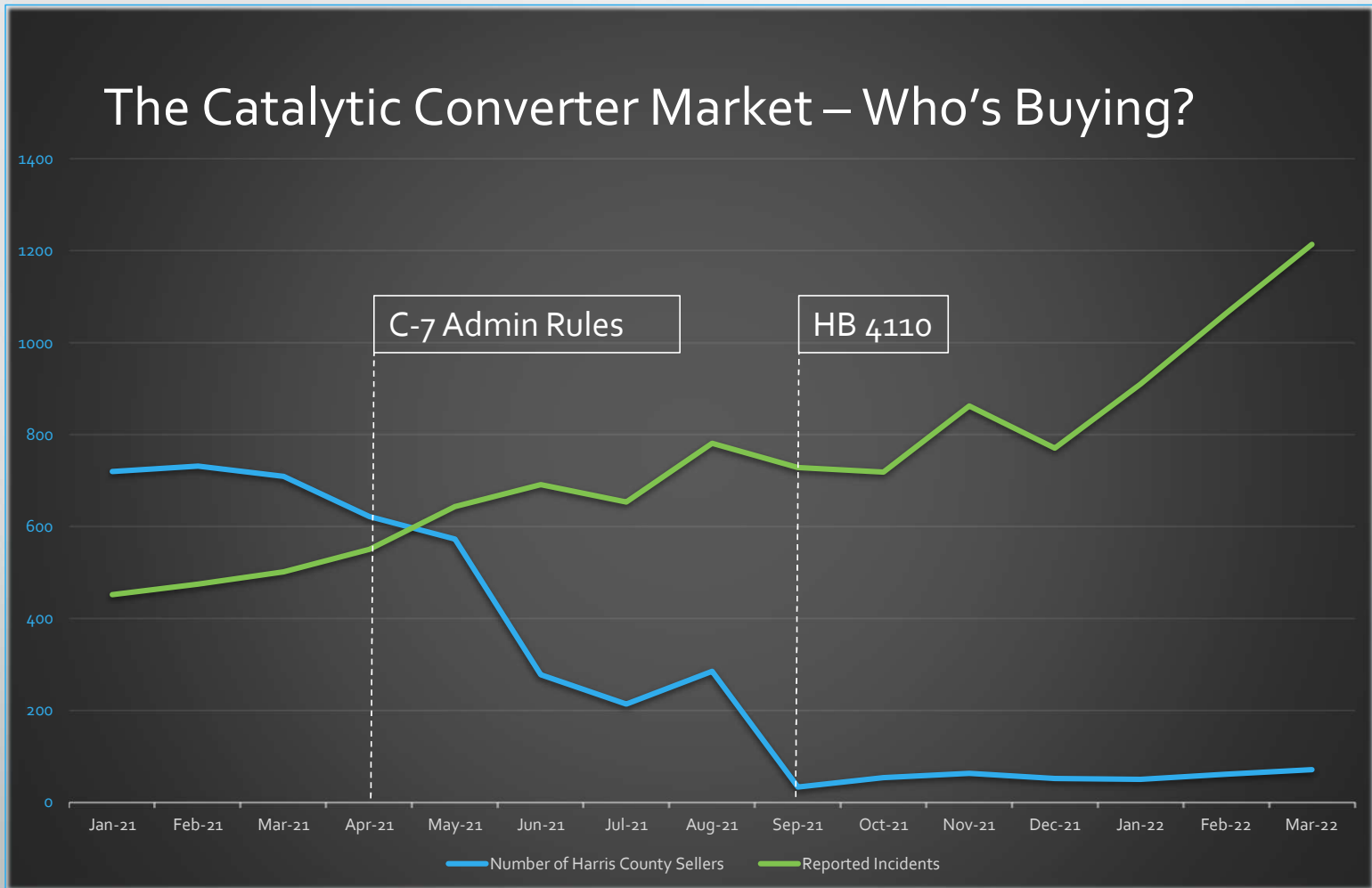
The COVID-19 pandemic and resulting global supply chain issues have drastically increased the price of the precious metals found in catalytic converters.



## Why are catalytic converter thefts on the rise?

- In September 2021, a new state law, HB 4110, went into effect, regulating the sale of catalytic converters.
  - It requires that any person selling a catalytic converter to a metal recycler provide a variety of information, including the year, make, model, and VIN for the vehicle from which the catalytic converter was removed, thumbprint, and certificate of title or other documentation proving ownership.
- The State law is effective in largely stopping the sale of stolen catalytic converters to Texas metal recyclers. However, the stolen converters now largely seem to be:
  - Sold online via websites like eBay, Facebook Marketplace, Craigslist, etc.; or
  - Collected and sent out-of-state to be sold in jurisdictions with more lax regulations.

# The Catalytic Converter Market – Who's Buying?



# Proposed Ordinance Change, Goal & Impact

## Proposed Ordinance Change

- Make it unlawful for any individual or entity other than a metal recycler to possess a used, “cut” catalytic converter without also having proper documentation detailing the information required under the new reporting requirements, including proof of ownership of the vehicle from which the converter was removed
  - The industry standard is to unbolt the catalytic converter when uninstalling. A converter that was cut off from the vehicle instead is one indicator that it might be stolen
- Make it unlawful to buy a used, “cut” catalytic converter unless the buyer is a metal recycler
- These provisions apply to whole catalytic converters and to their component parts

## Goal:

- Address the underground/black market by focusing on the illicit supply chain
  - Creation of a Class C Unlawful Possession offense strengthens the investigation and enforcement of suspected stolen catalytic converters

## Impact:

- Excludes possession of unbolted or cut catalytic converters with proper documentation
- Narrows focus on illicit, street dealers and transporters of suspected stolen catalytic converters

# Proposed Ordinance Change, Goal & Impact

## Proposed Ordinance Change:

- Bring together and mirror the various state and county reporting requirements into Chapter 7, Article III of the City Code of Ordinances.
- Require metal recyclers and or second hand resellers to upload information regarding purchases or receipts into a law enforcement database

## Goal:

- Create consistency and enhance reporting requirements, including B2B transactions between metal recyclers and second hand resellers (i.e. muffler shops)

## Impact:

- Metal recyclers already record transaction info, need to upload info
- Second hand resellers impacted when purchasing or receiving catalytic converters



# Community Education

## Industry/business stakeholders

- Established rapport with stakeholders, outreach in progress
- Conduct virtual or in-person meetings with professional or industry associations
- Continue education and support to promote compliance, be a good neighbor
- Promote a culture of legitimate business enterprise, reporting of illicit sales

## Citizenry

- PIP, attendance at neighborhood meetings, info videos on web and social media platforms

# Crime Prevention & Deterrence

- Use of high temperature fluorescent paint
- Etching or engraving of License plate numbers or VIN
- Installation of anti-theft devices like protective shields or guards
- Park in well lit areas
- Do not confront thieves, relocate to a safe area and notify police immediately – be a good witness!



# Questions?