

**MINUTES OF THE  
SENATE COMMITTEE ON JUDICIARY**

**Eighty-second Session  
March 23, 2023**

The Senate Committee on Judiciary was called to order by Vice Chair Dallas Harris at 1:00 p.m. on Thursday, March 23, 2023, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Senator Dallas Harris, Vice Chair  
Senator James Ohrenschall  
Senator Marilyn Dondero Loop  
Senator Rochelle T. Nguyen  
Senator Ira Hansen  
Senator Lisa Krasner  
Senator Jeff Stone

**COMMITTEE MEMBERS ABSENT:**

Senator Melanie Scheible, Chair (Excused)

**STAFF MEMBERS PRESENT:**

Patrick Guinan, Policy Analyst  
Jan Brase, Committee Secretary

**OTHERS PRESENT:**

Chris Ries, Las Vegas Metropolitan Police Department  
Warren Hardy, SA Recycling; Nevada Pic-A-Part  
Nick Schneider, Vegas Chamber  
Kandice Townsend, City of North Las Vegas  
Alfredo Alonso, Alliance of Automobile Manufacturers  
John T. Jones, Jr., Nevada District Attorneys Association  
Amanda Brazeau, Boyd Gaming Corporation

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Sasha Stephenson, MGM Resorts International  
Vinson Guthreau, Executive Director, Nevada Association of Counties  
Andy MacKay, Executive Director, Nevada Franchised Auto Dealers Association  
Terry Graves, Nevada Trucking Association  
Mike Cathcart, City of Henderson  
Mike Draper, Meruelo Gaming; Grand Sierra Resort and Casino  
Jason Walker, Washoe County Sheriff's Office  
Areli Alarcon, Copart  
Nick Vassiliadis, NV Energy  
Randy J. Brown, AT&T Nevada  
Misty Grimmer, Cox Communications  
Al Rojas  
Virginia Valentine, Nevada Resort Association  
David Gomez, Nevada Peace Alliance  
Pamela Del Porto, Nevada Sheriffs' and Chiefs' Association

VICE CHAIR HARRIS:

We will open the meeting with Senate Bill (S.B.) 243.

**SENATE BILL 243**: Revises provisions relating to catalytic converters.  
(BDR 15-37)

SENATOR ROCHELLE T. NGUYEN (Senatorial District No. 3):

Senate Bill 243 is intended to curb what has increasingly become a serious and expensive problem—catalytic converter theft. I will begin with a review of national context and data. According to CARFAX, Inc., last year in the United States, there were as many as 153,000 catalytic converters stolen. They are stolen because they contain rare metals used in a whole host of products. These metals are expensive to produce and in short supply, which means stealing catalytic converters is lucrative.

Catalytic converters are relatively easy to steal as they are exposed under a vehicle and can be removed quickly, in as few as two minutes. Even with a guard piece, used to prevent this type of theft, the process only slows by a few minutes.

State Farm Insurance, the largest automobile insurer in the Country, reported that between July 2021 and June 2022, catalytic converter thefts rose nationally by 109 percent. Since 2019, the number is over 400 percent which

impacts not only those who are the direct victims of these thefts but anyone who owns a car and must pay for auto insurance.

I became aware of this issue through a notification from my neighborhood requesting that residents report catalytic converter theft. People were advised to park cars in the garage, though that is not always possible. Throughout Senate District 3, it is not at all possible. I am presenting S.B. 243 because it is always important to give credit to those trying to suggest solutions affecting all of our community and throughout our State. Support and participation have come from many people, jurisdictions, businesses and Legislators.

I have worked with Clark County Commissioner Tick Segerblom and Las Vegas Mayor Pro Tem Brian Knudsen to find solutions to this issue. Mr. Segerblom is collaborating with the County, developing ordinances to curb catalytic converter theft. Mr. Knudsen and I are working together on solutions for our community, our city and for the State. Of the six wards in Las Vegas, Ward 1 has experienced a majority of catalytic converter thefts, likely because of the lack of homes with garages. Between 2020 and 2021, there were 490 thefts in Ward 1, but this problem affects anyone who parks in a parking lot.

CHRISTOPHER RIES (Las Vegas Metropolitan Police Department):

In 2022, there were over 2,500 reported thefts involving catalytic converters in our jurisdiction. This represents only reported thefts. We have seen an increase of this theft from 2019 to 2022. Catalytic converter theft has increased over 1,200 percent. An experienced catalytic converter thief can remove a converter within minutes with equipment easily found at the local hardware store. The cost to the victim of this crime could be thousands of dollars, not to mention the time, energy and stress it causes. Many constituents have either been affected by catalytic converter theft or know someone who operates nonprofit organizations or owns rental car companies. Law enforcement agencies and even the Oscar Mayer Wienermobile have been victims of this crime.

For several reasons, it is difficult to prosecute individuals for stealing catalytic converters. Many of our arrests are of individuals caught in the act of stealing or attempting to steal a catalytic converter. However, if the person was not seen in the act of stealing the catalytic converter but, rather, was observed with the converter in his or her possession, the likelihood of bringing the person to justice is minimal. The main reason is that the catalytic converter is typically not

serialized or does not have a vehicle identification number (VIN) applied by the manufacturer. Therefore, it cannot be easily traced to the victim's vehicle. For example, if a patrol officer stops a person with five catalytic converters, experience tells us that that person stole those catalytic converters. However, the officer typically cannot arrest for theft. We would arrest for possession of burglary tools or tampering with a vehicle. Senate Bill 243 will allow us to arrest on both the theft of a stolen catalytic converter and/or the possession of the catalytic converter. This will allow us to better track the theft or possession of catalytic converters. Without any changes to statutes, we can expect to see the continued rise of catalytic converter theft.

SENATOR NGUYEN:

Section 2 defines catalytic converter theft and creates rebuttable presumption for someone who is in possession of two or more and is not a properly licensed business that regularly deals with catalytic converters.

I shared a photograph with a police officer of a person who was walking down the street with a shopping cart full of catalytic converters. I asked what could be done in that situation. I was told the best we could do, since we have no way of knowing which cars those catalytic converters came from and/or have supporting documents, is to charge the individual with possession of a stolen shopping cart.

Section 3 addresses a prohibition on the purchase of a used catalytic converter from anyone other than a properly licensed business or a person who can prove ownership of the converter.

Section 4 sets out penalties associated with theft, possession and sale of catalytic converters. Penalties range from Category E felonies to Category B felonies. Some changes are made in a proposed amendment ([Exhibit C](#)). We do not want to enact a law that makes it difficult for officers in the field to make arrests. We want to make certain our prosecutors can effectively prosecute those crimes. The proposed amendments bring clarity. Our original language defined too many categories and required clarification. Our goal is to present a bill which is written efficiently and effectively.

Sections 6 and 7 define permanently marked and used catalytic converters for the purpose of implementing the bill. Section 8 sets forth provisions governing properly licensed businesses allowed to purchase and legally possess catalytic

converters and mirrors provisions set forth in section 2, subsection 2, paragraphs (a) through (e).

Section 9 requires every scrap metal processor to maintain permanent detailed records of each purchase of a catalytic converter, including the name and identification of the seller, a description of the vehicle from which the catalytic converter was removed and, if applicable, information on any subsequent sale. While there are many good players in the sphere of recyclers, people who steal do so because they believe there is a place to sell the goods. We want to ensure transparency on the part of scrap metal processors and their purchases.

Section 14 of S.B. 243 adds used catalytic converters to the list of scrap metals requiring business transaction reporting. The required information mirrors language found in section 10. Statistics on catalytic converter theft will be included to the report from law enforcement agencies submitted to the Legislative Counsel Bureau. This will allow us to gauge the effectiveness of S.B. 243 in helping improve our communities.

SENATOR DONDERO LOOP:

When we worked on scrap metal legislation, the issue was the theft of copper. Though there are no identifying marks on copper products, why do catalytic converters not fall under existing *Nevada Revised Statutes*?

SENATOR NGUYEN:

We attempted to emulate scrap metal legislation because theft of copper is similar, but catalytic converters are in a unique category and with appropriate steps may be identified and matched to vehicles.

SENATOR DONDERO LOOP:

How effective has scrap metal legislation been in reducing copper theft?

It is hard to imagine anyone committing this crime. Where do you see a stopgap in the profit motive?

MR. RIES:

The expectation is S.B. 243 addresses this process. Law enforcement may not be able to trace a catalytic converter to a particular car, but the bill allows for arrest for possession.

SENATOR NGUYEN:

For perspective, each catalytic converter can be sold for \$500 to \$750. With shortages of precious metals, the price and incentive for theft increases. Even more concerning is the cost to automobile owners. Those most affected are people who own less expensive vehicles and who may have to pay as much as \$2,500 for a replacement.

Surrounding states are implementing catalytic converter theft reporting like requirements found in S.B. 243. Though as many as 2,400 catalytic converters are reported stolen, I am aware of many more people who did not bother to file a police report.

In my District, \$75,000 worth of catalytic converters were stolen from the YMCA. That organization began parking the buses in the gymnasium or at the fire station across the street to avoid theft. Catalytic converters on police cars have been stolen. Addressing this problem is crucial.

SENATOR DONDERO LOOP:

It is really about the consumer. If the person stealing a catalytic converter does not have anywhere to sell it, instances will decline.

SENATOR HANSEN:

My brother has a roofing company. Someone scaled the fence surrounding his workplace and stole five catalytic converters from his roofing trucks.

I have been selling scrap copper for my plumbing business for over 30 years. When I sell copper, I am required to provide a fingerprint and my driver's license, and I am photographed.

The concern I have with S.B. 243 is section 10, which requires a check payment by mail. This may be an unrealistic requirement. Many legitimate scrap collectors do not have a residence address and may not have a bank account. People who are not thieves but are collecting metal for sale wherever they can find it should not be punished.

We do not make the process so onerous that somebody who is making a legitimate attempt to sell a catalytic converter is denied the opportunity because he or she does not have a residence.

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I want to be certain innocent people are not charged with crimes. In my business, we leave scrap metal and parts in the alleyway for needy people to collect and sell.

SENATOR NGUYEN:

Senate Bill 243 addresses issues different from bills addressing scrap metal products. I am not aware of a legitimate reason for selling a used catalytic converter.

WARREN HARDY (SA Recycling; Nevada Pic-A-Part):

I am unaware of any reputable scrap metal organization that will buy a catalytic converter. There is zero tolerance from our company, and anyone violating that standard will be fired. When we deny the ability to purchase catalytic converters, we deny the benefit of sale. The reason for bringing this bill is that catalytic converters are being stolen in Nevada and sold in California. Nevada law enforcement agencies need tools to effectively prevent theft and arrest perpetrators. Our company will not buy them or sell them. I am unaware of anyone who will buy catalytic converters.

I have advocated legislation and strict prohibition against buying or selling catalytic converters. When we buy a wrecked car for pick apart purposes, we remove catalytic converters and send them to a reputable recycling company. Senate Bill 243 addresses issues that may arise when people desire to sell a catalytic converter they legitimately own.

SA Recycling, which is one of the largest recyclers in the United States, supports this legislation as written.

SENATOR HANSEN:

I did not realize there is no market for catalytic converters. What happens in the case of an auto owner who sells his or her car to a wrecking yard but wants to keep and sell the catalytic converter separately?

MR. HARDY:

We will buy the car from you with the catalytic converter attached. We will buy a car without a catalytic converter. We will not buy the catalytic converter. There are federal considerations as well. There is no value for us to sell used catalytic converters. There are federal laws that require certification of used catalytic converters before sale. The cost of certification is too great to have

any economic value. We just do not deal in catalytic converters. We stay as far away from catalytic converters as we can. People buy under existing law, which is why this additional requirement of proving ownership is so important. I am not aware of a reputable company that will touch a catalytic converter.

SENATOR HANSEN:

This raises an ethical dilemma. I do not want to overburden people who have legitimate reasons for selling their catalytic converters.

MR. HARDY:

It is not illegal to buy catalytic converters. You go through the same process as any other scrap metal. Most reputable companies make a business decision not to do it because of the potential liability. I would not call legitimate buyers unethical. They can buy catalytic converters but will need to abide by the additional requirements outlined in S.B. 243 if the bill is adopted. This is an important step toward preventing theft.

SENATOR NGUYEN:

People are buying and selling catalytic converters legally. Senate Bill 243 allows an owner to remove and sell a catalytic converter with certain restrictions. The owner would need to provide a driver's license and the vehicle VIN. A buyer would need to abide by a number of provisions and guardrails.

Across the street from a Parole and Probation office in Reno is a sign advertising for a recycling center that buys catalytic converters. It is happening in Nevada. I did not want it to be overly burdensome, but it is my intention to make possession of two catalytic converters rather than one a felony because it is a unique kind of theft needing balance between fairness and protection for consumers.

SENATOR STONE:

I own several income properties in areas with controlled gate access, and we have experienced four or five of these thefts. These are modest income people. I had a tenant who witnessed a theft.

Recyclers should be able to recognize a suspicious catalytic converter seller. A legitimate owner who needs a replacement would go to a parts store or dealership.



To highlight why we see such thievery of these items, the metals in one catalytic converter include less than an ounce of platinum, palladium and rhodium with street values of \$250, \$350 and \$1,650, respectively. My understanding is a catalytic converter is generally sold for about \$750 before processing for precious metals. Recyclers can realize a substantial profit. Have any recyclers in Clark County been cited for receiving nefariously acquired catalytic converters?

SENATOR NGUYEN:

I have heard they sell for between \$500 and \$750, though we heard from Mr. Hardy his clients do not buy catalytic converters.

MR. RIES:

I am not aware of any citations for scrapyards. I will research and provide more information.

SENATOR NGUYEN:

Under existing statute, it is not a crime to purchase catalytic converters. I want to make it very clear. That one person can sell a shopping cart full of catalytic converters explains the need for S.B. 243.

SENATOR STONE:

I support the intent of the bill. A problem neither discussed nor directly related to the bill is the issue of parts and material shortages preventing or delaying the replacement of stolen catalytic converters. Car manufacturers do not order a surplus of catalytic converters because no one expects people will steal them. I have tenants who had trouble replacing stolen catalytic converters and could not drive their cars to and from work. This causes a great deal of hardship.

VICE CHAIR HARRIS:

Is the only method for removing a catalytic converter cutting it out?

MR. HARDY:

That is the most efficient way, but if the goal is to preserve it, it is possible to remove a catalytic converter with a wrench. Catalytic converters are designed to be replaced because they have an expiration date.

VICE CHAIR HARRIS:

If I went to my dealership and had them replace my catalytic converter, they likely would not saw it off. They would use a wrench.

MR. HARDY:

That is correct.

VICE CHAIR HARRIS:

Does this bill distinguish between being in possession of a catalytic converter that is intact versus those sawed off the vehicle? The parts removed with a saw would be an indication of something nefarious going on as opposed to a seller who has three fully intact catalytic converters.

SENATOR NGUYEN:

Section 2, subsection 3, paragraph (b) of the proposed amendment, [Exhibit C](#), describes a used catalytic converter has a meaning ascribed to it in section 7. Used catalytic converters are defined as different from a brand-new product.

VICE CHAIR HARRIS:

The definition in section 7 is of a catalytic converter previously installed on a vehicle and later removed. There is no distinction between one that was removed intact by a mechanic who is in the process of replacing the unit and one which looks like it has been hastily removed.

SENATOR NGUYEN:

We could provide clarification in the bill. Other provisions outlining those who can be in possession of any kind of catalytic converter might alleviate some of the confusion.

According to section 2, subsection 2, paragraph (e), a person possessing documentation proving lawful ownership of a used catalytic converter is not subject to legal action.

MR. HARDY:

I understand your concerns, Vice Chair Harris, but [S.B. 243](#) does not create a loophole based on the difference between a new and used catalytic converter.

VICE CHAIR HARRIS:

If catalytic converters are not marked with a VIN, how can a person in possession prove ownership and a match to his or her car as required by section 8?

SENATOR NGUYEN:

In my position as a defense attorney, I do not see cases involving catalytic converters even when representing indigent persons. In advising individuals in possession of a catalytic converter, I would suggest an affirmative defense would be to take a picture of the vehicle and mark the part with the vehicle's VIN. The records requirement in S.B. 243 could reveal whether the same VIN has been used to sell other catalytic converters.

VICE CHAIR HARRIS:

Section 3, lines 20 to 23 of the proposed amendment, [Exhibit C](#), states:

from which the used catalytic converter was removed and which includes a vehicle identification number that matches the vehicle identification number permanently marked on the used catalytic converter.

I am also hearing that catalytic converters are not marked with a VIN. A person could face felony charges because, with no means of matching the catalytic converter to the vehicle, he or she cannot prove ownership.

SENATOR NGUYEN:

Our intention was to affirm a person possessing documentation can prove lawful ownership of the used catalytic converter without limitation. There are a number of options. Washoe County has a program through the Sheriff's Office that will assist an owner to heat stamp a catalytic converter with the VIN. There are similar programs in southern Nevada. Federal legislation may require vehicle-specific identification on catalytic converters. Pending legislation with some bipartisan support was introduced by U.S. Senator Amy Klobuchar.

Senator Harris, you are correct. I read the section as a guide to identifying ownership of a catalytic converter. I will work to provide more definition, so we do not run the risk of charging an innocent person with a felony until he or she is able to prove otherwise.

MR. RIES:

If a person has three cars requiring new catalytic converters, and he or she removes the parts, the best strategy is to stamp each catalytic converter with a corresponding VIN. In theory, a person could legitimately have possession of three catalytic converters with three separate VINs matching his or her vehicles. The bill provides for permanently etching or heat stamping of catalytic converters.

VICE CHAIR HARRIS:

Before this hearing, I did not know about this option. I do not expect an average person who is taking three catalytic converters off vehicles would be aware of a need to stamp them or face a felony charge. I do not know whether it is in the public's consciousness yet.

MR. RIES:

The circumstances you describe of taking your own catalytic converter off a vehicle are rare.

MR. HARDY:

Most of these catalytic converters are marked with identification numbers, usually a part number of some kind that can be traced to the vehicle type. It would be possible to demonstrate the catalytic converter was manufactured for an individual's type of vehicle.

VICE CHAIR HARRIS:

When do you see this type of presumption happening prior to arrest? I do not envision an officer pulling a person over and upon seeing three catalytic converters asking for serial numbers and then matching them to the vehicle type. I am assuming the person would be arrested first and then need to be prepared to demonstrate in court the serial number matches the make and model of the person's car and then hope it is enough to rebut the presumption.

SENATOR NGUYEN:

The idea of a rebuttable presumption is based on existing statute relating to possession of identifying information of another person. For example, if I have one person's driver's license, mere possession is not a felony. It would be necessary to prove felonious intention. If I have two people's driver's licenses, there is a rebuttable presumption that I do not have permission and it is a felony, possession of identifying information of another. The State does not

have to bring both owners of the driver's licenses into court to prove ill intent. I would be arrested on a felony charge. I would tell my defense attorney those two individuals gave me permission to have their licenses. I would have to bring those two individuals in to prove I did have permission. I trust our law enforcement partners to take this step during their investigation. A person may legitimately possess two persons' driver's licenses and provide an investigating officer with a reasonable explanation. In that case, the officer would not be obligated to make an arrest.

VICE CHAIR HARRIS:

Is there any way to trace where a catalytic converter came from?

MR. RIES:

I do not believe so.

VICE CHAIR HARRIS:

When it is not possible to trace the origins of a catalytic converter, it is both difficult to assign guilt and difficult to prove innocence. The government is generally responsible for proving guilt and not the responsibility of the accused to prove innocence. My hope is to we can find a way to narrowly tailor this legislation, so we are not shifting methods to prosecute crimes. This is a real problem we must address.

SENATOR NGUYEN:

In the case of possession of identifying information of another person, an individual does not typically have rebuttable presumption, but existing law does provide for it in some circumstances. In my 21 years of practicing predominantly criminal defense, I have considered ways to address this issue.

In S.B. 243, I have tried to find a balance to provide an opportunity for defense when a person legitimately possesses two or more catalytic converters. An individual who needs to remove and sell three of his or her own catalytic converters would need to find a buyer. The bill requires the buyer to request and the seller to provide proof of ownership.

VICE CHAIR HARRIS:

Is it possible to allow flexibility?

MR. RIES:

We consider the totality of circumstances. With a reasonable attempt to prove ownership, it is unlikely a person would be arrested for a felony, though a report may be submitted. Senate Bill 243 provides for permanently marking catalytic converters with the vehicle's VIN, which would be an effective means of proving ownership.

SENATOR NGUYEN:

Under S.B. 243 a possession charge is considered when a person is observed with two sawed off catalytic converters. A person in possession of one catalytic converter is not under suspicion unless he or she is actually witnessed stealing it.

VICE CHAIR HARRIS:

Are you aware of any other time where we criminalize the possession of something that is otherwise legal?

MR. RIES:

Possession of a stolen vehicle would be an example. You cannot prove the person stole the vehicle, but the person would otherwise have known the vehicle was stolen.

VICE CHAIR HARRIS:

In this example, the vehicle must have been reported stolen. The difference here is an officer does not know whether the catalytic converter has been stolen.

SENATOR NGUYEN:

The bill reads, "knows or should know." A person in a stolen vehicle may know it is stolen, and it is a felony. A person may be driving a car that does not belong to him or her and suspect it is stolen. That is also a felony. It is not exactly same as rebuttable, but there are circumstances law enforcement officers and prosecutors use to determine whether a person should know a vehicle is stolen absent a confession.

VICE CHAIR HARRIS:

Law enforcement knows the vehicle is stolen. Law enforcement would not know whether the catalytic converter was stolen. I could be walking down the street with a shopping cart full of shoes. Nobody knows where they came from, but none of the shoes have been reported stolen. Are there other examples for

criminalization of possession of something otherwise legal to possess? It is never legal to have a stolen vehicle. I could walk down the street with water bottles in a shopping cart. There is nothing illegal about possessing a large amount of something not otherwise illegal. Do you have other examples?

MR. RIES:

If a person has two or more credit cards with somebody else's name and numbers, they would be presumed stolen. Totality of the circumstances would be considered.

VICE CHAIR HARRIS:

Are there examples of times it is illegal to possess items which are bought and sold?

SENATOR NGUYEN:

I will confer with law enforcement and provide an answer.

SENATOR HANSEN:

It is easy to remove an exhaust manifold and drop the muffler assembly. The ease of removal is something we need to address in the bill. Can S.B. 243 be written to allow an owner to sell a complete exhaust manifold, including a catalytic converter?

SENATOR NGUYEN:

I am open to tightening up the language as necessary and further definition to make certain we are pursuing the right people.

VICE CHAIR HARRIS:

Is there anything to protect amateur mechanics who work on cars at home? They may, occasionally, be in possession of two or more catalytic converters but not fit under these rebuttable presumptions. They do not own the cars they are working on. They are not in a licensed auto repair shop. Is there anything to protect these people?

SENATOR NGUYEN:

I am glad you are bringing this to our attention. I am open to adjusting language in S.B. 243 to accommodate this situation.

MR. HARDY:

This is a major issue for our local governments. North Las Vegas has adopted an ordinance on catalytic converters. Direction coming from the State level is going to be important.

An approach to the situation of a home mechanic possessing multiple catalytic converters may be to make certain to mark each one with a VIN. The scenario is important, but I would submit the people we are trying to protect are the single mothers or fathers who leave the house for work at 6:30 a.m. only to find an inoperable car and an expensive repair bill. How can a person in this situation go to work and find the resources to pay \$2,500 to \$6,000 to repair the car?

We have been working with Senator Nguyen on this legislation for a long time and fully support S.B. 243.

NICK SCHNEIDER (Vegas Chamber):

We support S.B. 243 as it aids in monitoring and closing the distribution channels of stolen catalytic converters. This is a rising concern for citizens and businesses alike. The inconvenience is both expensive and tedious as far as sourcing replacement parts, and it is bad for the environment. The combination of registering, listing and logging those who sell used catalytic converters will help create a paper trail. Allowing for prosecution of those in possession will help limit the spread of this type of crime.

KANDICE TOWNSEND (City of North Las Vegas):

We are here today in support of S.B. 243. The theft of catalytic converters has been a serious issue affecting our residents. Our City Council passed Ordinance No. 3160 in February 2023 to combat rising crime and help protect our citizens. We believe S.B. 243 is a solution to a crime that has victimized our community.

ALFREDO ALONSO (Alliance of Automobile Manufacturers):

We support S.B. 243. It is one of the better bills we have seen across the Country. There are approximately 158 catalytic converter manufacturers and matching a number to an engine is a challenge. Catalytic converters can be either universal fit or direct fit, which are manufactured solely for a particular vehicle. Dealers have not been able to stock catalytic converters for the variety of cars needing repair.



A couple of weeks ago, my daughter's car was stolen. When it was recovered, it had been stripped and the catalytic converter removed. We have seen an increase in auto thefts of about 900,000 since 2020. Some thieves steal vehicles, quickly take anything of value and then abandon them. It is a difficult problem to address, but S.B. 243 is a good effort.

JOHN T. JONES, JR. (Nevada District Attorneys Association):

I would like to address a few questions raised during this meeting. With discussion about the amendment, Exhibit C, and there being a rebuttable presumption, I want to make clear the rebuttable presumption language has been removed from S.B. 243 in the amendment. The person who is not an automobile wrecker, scrap metal processor or a manufacturer is an element of the offense we would have to prove as an officer at the level of probable cause and as a district attorney by a beyond a reasonable doubt standard. For example, if Detective Ries arrests someone for possessing three catalytic converters and the declaration of arrest stops there, that is a denial from my office because the second half of the new crime has not been met. In other words, proof that the person is not a licensed dealer of some sort. We can prove that several ways. An officer can run the name through a business licensing database and find no licenses. Sometimes, post-Miranda, the defendant will admit to stealing the item. This is not a rebuttable presumption bill. We would have to prove that the defendant is not a wrecker, a processor or a manufacturer.

VICE CHAIR HARRIS:

If three of my friends gave me their catalytic converters and I am caught in possession, that is a felony and I have no way out.

MR. JONES:

Under that scenario, assuming you are not listed in any of the databases and you state you are not a vehicle processor, you could potentially face charges. If you tell the detective or officers the three friends will vouch for you, we will not have a prosecutable case.

VICE CHAIR HARRIS:

Why not? I am not the lawful owner of the catalytic converters, and I am in possession.

MR. JONES:

If you were given three catalytic converters from people who are the actual owners and they are willing to testify to that fact, you are the legal owner.

VICE CHAIR HARRIS:

I may be in possession of an item, but I do not own it. What if I am going to give it back? They gave it to me because they wanted me to repair their car. I do not own the catalytic converter or the vehicle. I am in possession with the owner's permission. Nothing in S.B. 243 provides for this scenario.

MR. JONES:

I thought you meant a gift as a legal conveyance. If you are talking about a temporary conveyance, the same argument still applies. You are a legal possessor at that point because the catalytic converter was given to you by the rightful owner.

VICE CHAIR HARRIS:

I suggest the bill as drafted does not cover that scenario. If that is your intention, then there might be an amendment describing being in legal possession as opposed to being the legal owner.

AMANDA BRAZEAU (Boyd Gaming Corporation):

We support S.B. 243 because it is good policy to protect residents and tourists.

SASHA STEPHENSON (MGM Resorts International):

The Las Vegas Strip has not been immune from the uptick in this criminal activity. We support S.B. 243.

VINSON GUTHREAU (Executive Director, Nevada Association of Counties):

You have heard from our sheriffs about some of the issues they have seen in our communities, and we support S.B. 243. We want to thank the sponsor for engaging our members during the Interim and trying to get a handle on this communitywide problem.

ANDY MACKAY (Executive Director, Nevada Franchised Auto Dealers Association):

We support S.B. 243. This is one of the best proposals to tackle this problem. It is a serious problem as everybody is aware. We are strong supporters at the national level of legislation, including the Preventing Auto Recycling Theft Act of

the 117th Congress sponsored by U.S. Senator Amy Klobuchar. Between 2019 and 2022, there was a 1,215 percent increase in catalytic converter theft. Average repair is \$5,000 to \$6,000. One dealership in Las Vegas last year did \$40,000 worth of repairs of stolen catalytic converters. The dealership itself suffered \$27,000 in catalytic converter losses, separate and apart from \$20,000 in property damage from cut down fencing and broken gates among other damage. This is a serious problem. If an individual has his or her catalytic converters stolen from a vehicle, the vehicle is operational, but it will never pass an emissions test and cannot be registered in Nevada or any state across the Country. Federal law requires catalytic converters.

TERRY GRAVES (Nevada Trucking Association):

We support S.B. 243. I have submitted written remarks ([Exhibit D](#)). While diesel trucks have catalytic converters, they are not as valuable as those installed on gasoline cars. However, for many trucking companies with medium- and light-duty vehicles, catalytic converter theft is a problem.

I also represent two scrap metal dealers, Engine Quest in North Las Vegas and Western Metals Recycling in Sparks. They do not do much business with catalytic converters, but to the extent that they do, they cooperate with law enforcement when thefts are reported. Legislation addressing the copper theft led to the setting up of communications networks between recycling businesses and law enforcement. If a major theft occurs, a system is in place to prevent thieves from selling the goods. Once people are caught and the ability to sell stolen goods is diminished, the problem is minimized or eliminated.

This system would be effective in the case of catalytic converters. My client informs me he would not be able to resell a catalytic converter. The only place to take a used catalytic converter is a reprocessor or a refiner. There they open the unit, remove the contents and reclaim the valuable rare earth minerals. The minerals are collected and, often, taken out of the Country.

A good approach is to focus on those illegally in possession of catalytic converters. My clients would not buy a catalytic converter from a person walking into their business. They come from legitimate businesses, auto dealerships and auto repair shops.

One of the differences between the scrap metal law and S.B. 243 is the penalties based on the value of stolen items. In the scrap metal law, the value

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was defined by the product and the value of damage to property. This leads to significant penalties.

Lastly, regarding section 10 of S.B. 243 requiring payment by check, 11 of my clients conduct all payments electronically. This may be an issue needing review.

MIKE CATHCART (City of Henderson):

This is one of the priorities of the Henderson Police Department, and we support S.B. 243.

MIKE DRAPER (Meruelo Gaming; Grand Sierra Resort and Casino):

Catalytic converter theft is a serious issue, and we are concerned about the property of our employees and guests. We support S.B. 243.

JASON WALKER (Washoe County Sheriff's Office):

This also was one of our priorities, and we support S.B. 243.

ARELI ALARCON (Copart):

We support S.B. 243.

NICK VASSILIADIS (NV Energy):

We support S.B. 243.

RANDY J. BROWN (AT&T Nevada):

We support S.B. 243. During the Seventy-fifth Session, AT&T was part of the coalition that updated laws related to scrap metal processing. We operate a fleet of nearly 375 vehicles in the State and are not immune from this situation. In the past two years, approximately 20 catalytic converters have been stolen from vehicles in our gated and fenced lots. Thieves specifically target our bucket trucks which are higher off the ground, allowing easier access to the catalytic converter. These thefts occur because there is a ready market for the resale of these products.

MISTY GRIMMER (Cox Communications):

We support S.B. 243. Many of our technicians take our vehicles home at night so they can respond to communications issues quickly. They do not have the protection of being behind a fence.

AL ROJAS:

Reducing crime in Nevada will have a profound effect on every aspect of the community, including education, diversifying our economy and reducing our taxes. Companies are going to want to come to Nevada. Senate Bill 243 is a critical bill. I have met more people who have had their catalytic converters stolen than have died from COVID.

I have a background in auto repair. We do not want to arrest law-abiding citizens who legitimately possess a catalytic converter. One of the recommendations I have is if you saw off your catalytic converter, take a picture so that you have some evidence to defend yourself if you are interrogated by the police or arrested. If a person is performing home-based automotive repair, he or she can write an invoice and include an authorizing signature from the owner. Protective methods can be added to the bill.

As the Legislative Branch, the guiding light should be to live by Nevada State rules. We should be protecting law-abiding citizens and the law enforcement community. The definition of a safe community is one where law-abiding citizens and law enforcement have the upper hand over crime. I agree that we do not want to be arresting people by mistake, but there are many ways to protect against it. I would advocate for penalties for possession of one stolen catalytic converter rather than two. It would be easy to prove ownership with a picture and invoicing as I suggested.

VIRGINIA VALENTINE (Nevada Resort Association):

We support S.B. 243. One of our focuses this Session is tourism safety. The theft of these items can occur in parking garages and surface lots. The resorts operate more surface lots and garages and parking spaces than any industry in the State. When a theft occurs on property, this creates a problem because the car is generally rendered unusable or inoperable. That means the vehicle must be towed. If it happens to guests on the property and who drove a long distance to Las Vegas, they are going to have trouble getting home. This also happens to our employees in our employee parking garages.

There is also a concern these suspects who come onto the property with the intent of stealing catalytic converters might be there to create some other mischief.

DAVID GOMEZ (Nevada Peace Alliance):  
I live on the east side of Las Vegas in District 2.

I sent you pictures by email of a basketful of catalytic converters, and nobody was able to stop the person with the basket. I am a victim of this issue. My diesel truck has a diesel particulate filter as well as a catalytic converter. They cut the whole thing off. It cost me about \$5,600 to repair. Nobody is rebating me. I am not going to file an insurance claim because it is not worth it. It was not worth it at all. I paid for it out of my pocket. I have seven children and take care of them in this State. I am a husband, a business owner and a nonprofit organization representative.

Regarding people being arrested unjustly, we need to have a tag system. We need a system for people to call in or go online to provide information to law enforcement when they are removing a catalytic converter. If they are caught with it, the officer can check and verify ownership. The officer can say yes, you did put the VIN in the system, go ahead, have a nice day.

Businesses will buy catalytic converters. I know a lot of businesses in this State are shady. What if they have a friend or somebody who supports them. Someone might tell a business owner, I am going to bring you a bunch of catalytic converters. I cannot justify having them, but we are going to go ahead and just send them through the system.

Regarding removing bolts on catalytic converters, do you know how much pressure you must put onto an exhaust manifold to keep that loud sound quiet? It sounds like my truck driving on an everyday basis. If somebody can reach a hand up in that area and remove those bolts, the individual is good at what he or she does. Most thieves obviously do not do that. They just cut them off.

The pictures I sent you were the pictures I gave to the Las Vegas Metropolitan Police Department. When I saw a person walking across the street with two basketfuls of catalytic converters, I thought it was ridiculous. I have never seen anything like it. When I confronted the man, he looked at me and told me to mind my own business. I said, no, I am not going to mind my own business. You know why? Because I am tired of this happening. I am tired of being a victim of these situations. Lawmakers say they do not want to put anyone in jail unlawfully. There are ways to justify ownership of a catalytic converter.

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PAMELA DEL PORTO (Nevada Sheriffs' and Chiefs' Association):  
We support S.B. 243.

VICE CHAIR HARRIS:  
We will close the hearing on S.B. 243.

MR. ROJAS:

I frequent Senate District 10 which is the east side of Las Vegas and a high-crime area. I want to commend our Democratic and Republican Senators who are trying to make Nevada a better place to live. I want to talk about education diversifying our economy and topics critical to Nevada. I spent my adult life in Irvine, California, which was a planned community. Many of the problems happening in Nevada like education, diversifying our economy and reducing crime can easily be addressed. However, I grew up in Los Angeles, and I have seen its failed policies. I graduated from high school in 1978, lived in Irvine for 35 years and have been a resident here for 6 years. In 1978, I decided to leave Los Angeles and go to the suburbs like other conservatives. This time, I am not going to run. I am going to stay and share everything I learned in Irvine.

The biggest problem we have is crime. We must reduce homelessness. The government throws \$3 billion into education, which is fine, but it is not going to solve the problem. The problem is that we must reduce crime, reduce homelessness and make people accountable. There is a bill for reducing crime in schools. Nobody wants to live in the community with high crime. You are going to lose businesses and lose tax revenue. Citizens will need to pay more taxes. You are going to lose teachers because nobody wants to be accused of a felony when he or she tries to intervene when students are acting up. Nobody wants to lose their property taxes. Nobody wants to live in a community where there is high crime and poor education. There are fewer teacher openings in Henderson than Las Vegas and North Las Vegas because of the crime. If we reduce crime, we are going to have more businesses in Nevada. This is what we did in Irvine. When we have better teachers, we will diversify our economy. We are going to pay less in taxes.

With every bill we should ask, will it reduce crime? Can we reduce crime in schools? Can we reduce crimes in our community? Can we reduce homelessness? We should not attract homeless people because they can be predators who prey on working people. Many of them do not want help. They

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just want to be on the streets. We are our own worst enemies when we do not stop crime.

We are the Entertainment Capital of the World. We will host the Super Bowl next year, and our police departments are understaffed by 30 percent. Crime is the common denominator. If we work in a bipartisan fashion, we will solve many problems. We will be a city to start a new career, a family and a future.

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VICE CHAIR HARRIS:  
The meeting is adjourned at 2:41 p.m.

RESPECTFULLY SUBMITTED:

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Jan Brase,  
Committee Secretary

APPROVED BY:

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Senator Dallas Harris, Vice Chair

DATE: \_\_\_\_\_

<b>EXHIBIT SUMMARY</b>				
<b>Bill</b>	<b>Exhibit Letter</b>	<b>Introduced on Minute Report Page No.</b>	<b>Witness / Entity</b>	<b>Description</b>
	A	1		Agenda
	B	1		Attendance Roster
S.B. 243	C	4	Nevada District Attorneys Association	Proposed Amendment
S.B. 243	D	19	Terry Graves / Nevada Trucking Association	Letter in Support