



## Legislation Text

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**File #:** 24-108, **Version:** 1

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First Reading of an Ordinance to add Chapter 4-43 "Prohibition of Unlawful Possession of Catalytic Converters" to Title 4 "Public Welfare" of the San Leandro Municipal Code

### **COUNCIL PRIORITY**

- Public Safety

### **SUMMARY AND RECOMMENDATIONS**

Approval of this ordinance will make the unlawful possession of catalytic converters in the San Leandro a misdemeanor punishable by a fine not to exceed \$1,000 or imprisonment in the county jail not to exceed six months, or by both.

Staff recommends adding Chapter 4-43 "Prohibition of Unlawful Possession of Catalytic Converters" to Title 4 "Public Welfare" of the San Leandro Municipal Code to prohibit unlawful possession of catalytic converters.

### **BACKGROUND**

Catalytic converter thefts have become a widespread problem, affecting hundreds of San Leandro residents in recent years. Key components of catalytic converters include valuable metals like platinum, palladium, and rhodium that have increased in value, making catalytic converters lucrative targets for thieves looking to profit from the resale of precious metals.

Reported catalytic converter thefts in San Leandro were 178 in 2020, 482 in 2021, 595 in 2022 and 302 in 2023. Although catalytic converter thefts decreased in San Leandro last year, it is still an issue resulting in unanticipated costs, inconvenience and undue financial stress of up to a thousand dollars or more in parts and labor to replace a stolen catalytic converter.

These thefts continue to occur because individuals are incentivized to commit catalytic converter thefts for multiple reasons including, but not limited to:

- 1) The ease and undetectable nature of committing the thefts in a matter of seconds using common tools such as a reciprocating saw; and
- 2) The ability to recycle catalytic converters at scrap metal yards for high dollar returns ranging from \$200 to \$1,200 per catalytic converter; and
- 3) Loopholes in legislation that only allow law enforcement to arrest individuals in possession of a catalytic converter if it can be proven to have been stolen from a particular victim.

### **Analysis**

In 2022, California Senate Bill 1087 was signed into law, which amended section 21610 of the Business and Professions Code, to impose stricter regulations on core recyclers, dismantlers, and other licensed businesses that may reasonably generate, possess, or sell catalytic converters. The law requires core recyclers to provide documentation signifying the catalytic converter being purchased by the core recycler was obtained by the seller in a legal manner. Business and Professions Code §21610 also outlines fines imposed on core recyclers who fail to provide this documentation.

Assembly Bill 1740 also amended California Business and Professions §21610, to require people or businesses who buy catalytic converters to document the purchase by recording the year, make, model, and vehicle identification number of the car that the converter came from.

Senate Bill 1087 and Assembly Bill 1740 only target core recyclers, dismantlers, and other licensed businesses. They do not require the seller of the catalytic converter to produce any of the documentation previously mentioned.

Assembly Bill 641 amended California Vehicle Code §11500 making it an infraction to be in possession of at least nine catalytic converters that have been cut from a vehicle. The first two violations are fines only, \$100 and \$250 respectively. A third and subsequent violations will result in a misdemeanor.

Under the proposed ordinance, “Lawful possession” includes: (1) being the lawful owner of the catalytic converter; or (2) in possession of the catalytic converter with the lawful owner's written consent. It is not required to prove the catalytic converter was stolen to establish the possession is not a “lawful possession.”

A violation of this ordinance would be a misdemeanor and upon conviction may be punished by a fine not to exceed \$1,000, or by imprisonment in the county jail not to exceed six months, or by both. Each and every catalytic converter unlawfully possessed is a separate violation of this section.

### **Committee Review and Actions**

On October 26, 2023, the Department presented the draft ordinance to the City Council Rules Committee. Feedback received from the Committee included several options to consider for violations of this ordinance:

- 1) Fine only (no misdemeanor)
- 2) Misdemeanor and fine
- 3) Misdemeanor for possession of two or more

The recommendation of the Department, as stated above, is for the unlawful possession of catalytic converters to be a misdemeanor punishable by a fine not to exceed \$1,000 or imprisonment in the county jail not to exceed six months, or by both.

### **Financial Impacts**

There is no new fiscal impact as a result of this ordinance.

## **ATTACHMENTS**

A - Draft Ordinance

B - Catalytic Converter Presentation

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