



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 1193 (as reported without amendment)
Sponsor: Senator Randy Richardville
Committee: Judiciary

(as enacted)

Date Completed: 6-2-08

RATIONALE

Although larceny penalties and misdemeanor/felony thresholds generally are determined by the value of the item stolen, under the Michigan Penal Code, it is a felony punishable by up to five years' imprisonment, a maximum fine of \$10,000, or both, to steal certain items that are in or on a motor vehicle, regardless of the value of those items. Recently, thefts of various types of metal have been on the increase because of rising prices for scrap. Most often, this trend has been seen with the theft of copper tubing from construction sites or copper wiring from telephone or utility lines or other facilities. As metal prices continue to rise, the theft of more types of metal, even in small amounts, also is on the rise. Catalytic converters, which are emissions control devices required to be installed on all motor vehicles since the mid-1970s, contain small amounts of precious metal, usually platinum. Since scrap metal thieves have been known to target catalytic converters on automobiles, it has been suggested that those devices be added to the list of items whose theft from a motor vehicle is punishable as a five-year felony.

CONTENT

The bill would amend the Michigan Penal Code to make theft of a catalytic converter a felony punishable by up to five years' imprisonment and/or a maximum fine of \$10,000.

Under the Code, a person who commits larceny by stealing or unlawfully removing or taking any wheel, tire, air bag, radio, stereo, clock, telephone, computer, or other electronic device in or on any motor vehicle,

house trailer, trailer, or semitrailer, is guilty of a felony punishable as described above. The bill would include stealing or unlawfully removing or taking a catalytic converter in that prohibition.

MCL 750.356a

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

Catalytic converters are pollution control devices that reduce the toxicity of emissions from an internal combustion engine. They have been a mandatory part of all automobile exhaust systems since 1975, and contain precious metals such as platinum, palladium, or rhodium. Because of that metal content, thieves looking to cash in on the rising prices of metals on the scrap market have been targeting catalytic converters. Apparently, it is quite easy to remove a catalytic converter from the underside of any vehicle, particularly one that has high ground clearance such as a pick-up truck or sport utility vehicle. The bolts that attach the converter to the vehicle's undercarriage can quickly be sawed off, and thefts evidently are occurring at all times of the day and night, especially in areas such as parking garages and shopping malls where numerous cars are parked.

Some scrap metal dealers reportedly will pay around \$200 for a catalytic converter, but replacing it may cost the automobile owner anywhere from \$200 to \$1,000, or

even more if removal of the converter damages other parts of the vehicle. Since the value of catalytic converters is less than the felony threshold for most larcenies, this increasingly common crime is a misdemeanor. By including the theft of a catalytic converter in the provision that prescribes a felony penalty for stealing other items from a motor vehicle, the bill would provide a more appropriate punishment for stealing a catalytic converter and could deter thieves in search of easy money from scrap metal.

Supporting Argument

A representative of the Wayne County prosecutor's office testified before the Senate Judiciary Committee that law enforcement would like to be able to get catalytic converter thieves to identify the people who actually buy the stolen parts. Since the theft is a misdemeanor with minor penalties, thieves have little incentive to cooperate with police and prosecutors. If those caught stealing the devices faced up to five years in prison and/or a fine of up to \$10,000, however, they might be more inclined to help law enforcement officials track those who are driving the demand for the scrap metal. This, in turn, could lead to fewer thefts and more secure vehicles.

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on State and local government. There are no data to indicate how many offenders would be convicted of stealing a catalytic converter. To the extent that the bill resulted in increased incarceration time, local governments would incur increased costs of incarceration in local facilities, which vary by county. The State would incur the cost of felony probation at an annual average cost of \$2,000, as well as increased costs of incarceration in a State facility at an average annual cost of \$33,000. Additional penal fine revenue would benefit public libraries.

Fiscal Analyst: Lindsay Hollander

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.