

BILL ANALYSIS

Senate Research Center
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S.B. 432
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Criminal Justice
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The National Insurance Crime Bureau has reported a 1,215 percent increase in catalytic converter thefts since 2019. The Houston Police Department alone has reported 3,188 catalytic converter thefts in the first three months of 2022. This is a 123 percent increase from 2021. Thieves target catalytic converters for rare metals including platinum, palladium, or rhodium. These metals can be worth hundreds or thousands of dollars per ounce. Replacing stolen catalytic converters amounts to \$1,000+ in parts and labor.

Strong criminal penalties and sentencing guidelines are effective methods to deter crime. This meaningful change will provide adequate relief to automobile owners across Texas. The bill aims to reduce catalytic converter theft in Texas.

S.B. 432 creates the presumption of theft for being in possession of property that contains a catalytic converter removed from a previous vehicle. The exceptions include individuals (1) owning the vehicle that the catalytic converter was removed from or (2) engaging in the following businesses:

- Automotive Wrecking and Salvage Yard (Local Government Code Section 234.001)
- Metal Recycling Entity (Occupations Code Chapter 1956)
- Licensed Vehicle Dealer (Occupations Code Chapter 2301)
- Vehicle Repair Garage/Shop (Occupations Code Chapter 2305)

The final exception protects individuals in possession of a catalytic converter while performing a duty within the scope of an employer or agency. The bill also establishes a state jail felony for individuals in possession of a stolen catalytic converter that is valued under \$30,000.

The bill defines catalytic converter to include any material removed from a catalytic converter.

As proposed, S.B. 432 amends current law relating to the prosecution of and punishment for theft of a catalytic converter and increases a criminal penalty.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 31.03(c) and (e), Penal Code, as follows:

(c) Provides that, for the purposes of Subsection (b) (relating to unlawful appropriation of property):

(1) evidence that the actor has previously participated in recent transactions other than, but similar to, the transaction for which the prosecution is based, rather than similar to that which the prosecution is based, is admissible for the purpose of showing knowledge or intent and the issues of knowledge or intent and the issues of knowledge or intent are raised by the actor's plea of not guilty;

(2)-(6) makes no changes to these subdivisions;

(7) an actor who purchases or receives a used or secondhand motor vehicle is presumed to know on receipt by the actor of the motor vehicle that the motor vehicle has been previously stolen from another if the actor knowingly or recklessly:

(A) makes no change to this paragraph; or

(B) fails to file with the appropriate county tax assessor-collector the documents required under Section 501.145 (Filing By Purchaser; Application for Transfer of Title), Transportation Code, in the period provided by that section, rather than fails to file with the county tax assessor-collector of the county in which the actor received the motor vehicle, not later than the 20th day after the date the actor received the motor vehicle, the registration license receipt and certificate of title or evidence of title delivered to the actor in accordance with Subchapter D (Transfer of Title and Registration of Used Vehicle), Chapter 520, Transportation Code, at the time the motor vehicle was delivered;

(8)-(9) makes nonsubstantive changes to these subdivisions; and

(10) an actor in possession of property consisting of a catalytic converter that has been removed from a motor vehicle is presumed to have unlawfully appropriated the property unless the actor:

(A) is the owner of the vehicle from which the catalytic converter was removed;

(B) possessed the catalytic converter in the ordinary course of engaging in a business that is required to be licensed or registered, or is otherwise regulated, by this state or a political subdivision of this state, including certain businesses; or

(C) is an employee or agent of a person described by Paragraph (B) and the actor possessed the catalytic converter while performing a duty within the scope of that employment or agency.

(e) Provides that an offense under Section 31.03 (Theft), except as provided by Subsection (f) (relating to increasing certain offenses of theft to the next higher category of offense), is:

(1)-(3) makes no changes to these subdivisions;

(4) a state jail felony for certain offenses, including if the value of the property stolen is less than \$30,000 and the property stolen is a catalytic converter. Makes nonsubstantive changes; or

(5)-(7) makes no changes to these subdivisions.

SECTION 2. Amends Section 31.03(h), Penal Code, to define "catalytic converter."

SECTION 3. Makes application of this Act prospective.

SECTION 4. Effective date: September 1, 2023.