

## **CITY OF CARIBOU, MAINE**

Office of the Chief of Police

Ph: (207) 493-4208 Fax: (207) 493-4201

Municipal Building 25 High Street, Suite 4 Caribou, Me 04736

## Statement in Support of L.D.796, An Act to Restrict Sales of Catalytic Converters Removed from Motor Vehicles Submitted by Chief Michael W. Gahagan March 9, 2021

Distinguished members of the Committee on Transportation. My name is Michael Gahagan and I am the Chief of Police in the City of Caribou. I am providing written testimony in support of LD 796.

From Kittery to Fort Kent, our citizens are confronted with a major problem of thieves stealing Catalytic Converters from motor vehicles. Since 2008, the Caribou Police Department has responded to more than 46 thefts of Catalytic Converters, with the total of \$147,000 dollars' worth of replacement cost to the victims. The police had one subject turn in 21 Catalytic Converters at one time and received \$2,500 in return to them - to the victim's that was a \$67,000 loss that had to be paid out by either them or their insurance company. No one is immune to these thefts. Even Catholic Charities, a local service organization that has a store located in Caribou, had a Catalytic Converter stolen off one of their delivery trucks at a replacement cost to them of \$9,500 dollars. The Department is currently investigating a burglary from a local recycling company of 113 Catalytic Converters with a scrap metal value of \$15,000.

The biggest problem that police have in their investigation is matching the Catalytic Converter to a motor vehicle. Typically, thieves use a battery operated Sawzall to cut two pipes and extract the Catalytic Converter, it only takes a few minutes to crawl under a vehicle and remove the item. Most times, the crime is done during the night and isn't noticed for long periods of time, depending on how often the vehicle is driven. Thieves have targeted our local farms, the school bus garage, car dealerships, car repair shops, a taxi company, a lawn care business, and many

local citizens. With this proposed law requiring a match of a Catalytic Converter to a motor vehicle, it will drastically reduce this type of crime.

The New York Times, in a recent article about swiping Catalytic Converters, states that stricter car emissions rules around the world-particularly in China, which has scrambled in recent years to get its dire air pollution problem under control, have sent demand for the precious metals in catalytic converters surging. That has pushed up the asking price for some of the precious metals used in the device, like palladium and rhodium, to record highs. From about \$500 an ounce five years ago, the price of palladium quintupled to hit a record of \$2,875 an ounce last year and is now hovering between \$2,000 and \$2,500 an ounce, above the price of gold. Rhodium prices have skyrocketed more than 3,000 percent from about \$640 an ounce five years ago to a record \$21,000 an ounce this year, roughly 12 times the price of gold. The metals prices, in turn, are fueling a black market in stolen catalytic converters, which can be sawed off from the belly of a car in minutes, and fetch several hundred dollars at a scrapyard, which then sells it to recyclers who extract the metals. These global trends in emissions regulations, metals markets and larceny appear to have converged not only in Caribou but throughout the state. Nationwide, police are reporting a surge in thefts of catalytic converters cases.

This would be one way to have it stopped and to protect our citizens.

Thank you for your consideration.

Sincerely,

Chief Michael W. Gahagan