



Sheriff's Department



Robert Roed
Sheriff

January 26th, 2023

Chairman Clemens and members of the committee,

For the record my name is Jason Kraft, I am a Captain at the Ward County Sheriff's Department in Minot, and initially I had submitted testimony in support of Senator Vedaa's earlier scrap metal bill, Senate bill 2174, however once we discovered the addition of this bill, we decided to delay our testimony, and I am now here in support of Senate bill 2299 as well. I will use two of our agencies recent investigations in to catalytic converter thefts as justification to pass this bill.

Through the summer of 2021 in to the spring of 2022, our agency investigated a multitude of catalytic converter thefts in the Ward County area. For months our investigators tried to identify where these catalytic converters were being sold and the people involved. After a breakthrough in the case, which came from a reputable scrap yard that properly keeps records, a local Minot resident was implicated in the crimes and questioned.

This individual informed us that he was in the business of buying and reselling catalytic converters to make money, often meeting with people in parking lots to conduct business. In total, investigators determined that between March 2021 and February 2022, this individual sold approximately 585 catalytic converters either in state or out of state. He was clearly a scrap metal dealer as defined in the law, yet there was no business registered in his name, no clear business premise for us to search for his records, and we had no idea he was buying and selling catalytic converters until that first breakthrough.

This individual was charged in district court and plead guilty to dealing in stolen property. He was also charged with a lesser offense of failing to keep records by a scrap metal dealer but that was dismissed pursuant to a plea agreement.

Since that investigation began approximately 11 months ago, our agency compared a 11-month time frame before and after that investigation to determine if this individual's business model was a major contributor to the theft of catalytic converters in our area. The 11 months prior to that investigation our agency had 37 catalytic converters reported stolen, but have had only 11 since. That is a significant reduction.

The second case was an attempt by our agency to inspect the business records of another individual that clearly met the definition of a scrap metal dealer. This individual was advertising on Minot Facebook pages that they would be driving through the area in a van and would be purchasing catalytic converters. Our investigators determined the person lived in the Fargo area and tried to meet with them in an undercover capacity on one of his trips through Minot, but were unsuccessful. Eventually they ended up calling the person, explaining they were law enforcement and asked him for the records of his purchases. The person seemed hesitant to say he had records but eventually said he could get them together. The next call our office received wasn't from that initial person, but from an attorney that vouched for the individual, stating he had records, however we still never received any.



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This person had a business registered in their name that appeared to be the scrap metal business they were running, however the address of the business was that of an apartment. An unlikely location for a scrap metal business. With the inability to know exactly where law enforcement would be allowed to search for his records in accordance with the current law, the case was filed inactive. We have also not seen any further ads of this person travelling through our area to purchase converters.

Looking back at these two investigations our agency asked what simple changes could help us prevent more of these thefts in the future. First it would be helpful to have a registry of all scrap metal dealers so we know who's buying. Second, it would also be helpful to know the address of their business records so they can be inspected according to the law. This bill goes one step further and requires scrap metal dealers to have a fixed business premise, which would easily establish where we could examine records and conduct inspections.

As for the other provisions in this bill requiring proof of ownership, while a dishonest individual can very easily bypass that proof by signing a false statement, we would support this provision as a step in the right direction.

Last, we also support the creation of specific penalties regarding the theft of catalytic converters outside the standard theft of property statutes. The creation of this section clearly establishes that the value for grading the offense is based upon replacement and repair costs, and not the scrap metal value.

With that, I'd like to thank the sponsors of this bill and will answer any questions.

Sincerely,

Jason Kraft, Captain
Ward County Sheriff's Department
204 Front Street
Minot, North Dakota 58701
Office Phone: 701-857-6500
Cell Phone: 701-240-7334
Email: Jason.kraft@wardnd.com