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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. 2706

03/07/2012 Authored by Kriesel, Lesch, Scalze, Cornish, Kelly and others
The bill was read for the first time and referred to the Committee on Public Safety and Crime Prevention Policy and Finance
03/14/2012 Adoption of Report: Pass and re-referred to the Committee on Commerce and Regulatory Reform

1.1 A bill for an act
1.2 relating to crime; expanding grant awards for the prevention of automobile
1.3 theft and financial crimes; transferring funds; amending Minnesota Statutes
1.4 2010, sections 65B.84, subdivisions 1, 3; 168A.40, subdivision 4; 299A.681,
1.5 subdivisions 2, 7, 10.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2010, section 65B.84, subdivision 1, is amended to read:

1.8 Subdivision 1. **Program described; commissioner's duties; appropriation.** (a)

1.9 The commissioner of commerce shall:

1.10 (1) develop and sponsor the implementation of statewide plans, programs, and
1.11 strategies to combat automobile theft, improve the administration of the automobile theft
1.12 laws, and provide a forum for identification of critical problems for those persons dealing
1.13 with automobile theft;

1.14 (2) coordinate the development, adoption, and implementation of plans, programs,
1.15 and strategies relating to interagency and intergovernmental cooperation with respect
1.16 to automobile theft enforcement;

1.17 (3) annually audit the plans and programs that have been funded in whole or in part
1.18 to evaluate the effectiveness of the plans and programs and withdraw funding should the
1.19 commissioner determine that a plan or program is ineffective or is no longer in need
1.20 of further financial support from the fund;

1.21 (4) develop a plan of operation including:

1.22 (i) an assessment of the scope of the problem of automobile theft, including areas
1.23 of the state where the problem is greatest;

1.24 (ii) an analysis of various methods of combating the problem of automobile theft;

1.25 (iii) a plan for providing financial support to combat automobile theft;

- 2.1 (iv) a plan for eliminating car hijacking; and
- 2.2 (v) an estimate of the funds required to implement the plan; and
- 2.3 (5) distribute money, in consultation with the commissioner of public safety,
- 2.4 pursuant to subdivision 3 from the automobile theft prevention special revenue account
- 2.5 for automobile theft prevention activities, including:
- 2.6 (i) paying the administrative costs of the program;
- 2.7 (ii) providing financial support to the State Patrol and local law enforcement
- 2.8 agencies for automobile theft enforcement teams;
- 2.9 (iii) providing financial support to state or local law enforcement agencies for
- 2.10 programs designed to reduce the incidence of automobile theft and for improved
- 2.11 equipment and techniques for responding to automobile thefts;
- 2.12 (iv) providing financial support to local prosecutors for programs designed to reduce
- 2.13 the incidence of automobile theft;
- 2.14 (v) providing financial support to judicial agencies for programs designed to reduce
- 2.15 the incidence of automobile theft;
- 2.16 (vi) providing financial support for neighborhood or community organizations or
- 2.17 business organizations for programs designed to reduce the incidence of automobile
- 2.18 theft and to educate people about the common methods of automobile theft, the models
- 2.19 of automobiles most likely to be stolen, and the times and places automobile theft is
- 2.20 most likely to occur; and
- 2.21 (vii) providing financial support for automobile theft educational and training
- 2.22 programs for state and local law enforcement officials, driver and vehicle services exam
- 2.23 and inspections staff, and members of the judiciary.
- 2.24 (b) The commissioner may not spend in any fiscal year more than ten percent
- 2.25 of the money in the fund for the program's administrative and operating costs. The
- 2.26 commissioner is annually appropriated and must distribute the amount of the proceeds
- 2.27 credited to the automobile theft prevention special revenue account each year, less the
- 2.28 transfer of ~~\$1,300,000~~ \$650,000 each year to the general fund described in section
- 2.29 168A.40, subdivision 4. In fiscal year 2013 and thereafter, the commissioner shall
- 2.30 annually transfer \$325,000 to the commissioner of public safety for grants under section
- 2.31 299A.681, subdivision 7.

2.32 **EFFECTIVE DATE.** This section is effective July 1, 2012.

2.33 Sec. 2. Minnesota Statutes 2010, section 65B.84, subdivision 3, is amended to read:

2.34 Subd. 3. **Grant criteria; application.** (a) A county attorney's office, law

2.35 enforcement agency, neighborhood organization, community organization, or business

3.1 organization may apply for a grant under this section. Multiple offices or agencies within
 3.2 a county may apply for a grant under this section.

3.3 (b) The commissioner, in consultation with the commissioner of public safety, must
 3.4 develop criteria for the fair distribution of grants from the automobile theft prevention
 3.5 account that address the following factors:

3.6 (1) the number of reported automobile thefts per capita in a city, county, or region,
 3.7 not merely the total number of automobile thefts;

3.8 (2) the population of the jurisdiction of the applicant office or agency;

3.9 (3) the total funds distributed within a county or region; and

3.10 (4) the statewide interest in automobile theft reduction.

3.11 (c) The commissioner may give priority to:

3.12 (1) offices and agencies engaged in a collaborative effort to reduce automobile
 3.13 theft; and

3.14 (2) counties or regions with the greatest rates of automobile theft.

3.15 (d) The minimum amount of a grant award is \$5,000. After considering the
 3.16 automobile theft rate and total population of an applicant's jurisdiction, if a grant award,
 3.17 as determined under the criteria and priorities in this subdivision, would be less than
 3.18 \$5,000, it must not be awarded.

3.19 (e) At least \$325,000 in the automobile theft prevention special revenue account
 3.20 each year shall be used for grants to an entity under paragraph (a) to reduce the incidence
 3.21 of financial crimes including, but not limited to, theft from a motor vehicle, loan and credit
 3.22 application fraud, theft by swindle, check forgery, insurance fraud, credit card fraud,
 3.23 and identity theft. The commissioner, in consultation with the commissioner of public
 3.24 safety, Minnesota Financial Crimes Advisory Board, and Automobile Theft Prevention
 3.25 Advisory Board under subdivision 4, shall develop the form and manner of application
 3.26 and criteria for a grant under this paragraph.

3.27 **EFFECTIVE DATE.** This section is effective July 1, 2012.

3.28 Sec. 3. Minnesota Statutes 2010, section 168A.40, subdivision 4, is amended to read:

3.29 Subd. 4. **Automobile theft prevention account.** A special revenue account is
 3.30 created in the state treasury to be credited with the proceeds of the surcharge imposed
 3.31 under subdivision 3. Of the revenue in the account, ~~\$1,300,000~~ \$650,000 each year must
 3.32 be transferred to the general fund. Revenues in excess of ~~\$1,300,000~~ \$650,000 each year
 3.33 may be used only for the ~~automobile theft prevention program described in~~ purposes
 3.34 designated under section 65B.84.

4.1 **EFFECTIVE DATE.** This section is effective July 1, 2012.

4.2 Sec. 4. Minnesota Statutes 2010, section 299A.681, subdivision 2, is amended to read:

4.3 Subd. 2. **Membership.** The advisory board consists of the following individuals,
4.4 or their designees:

4.5 (1) the commissioner of public safety;

4.6 (2) the attorney general;

4.7 (3) two chiefs of police, selected by the Minnesota Chiefs of Police Association;

4.8 (4) two sheriffs, selected by the Minnesota Sheriffs Association;

4.9 (5) the United States attorney for the district of Minnesota;

4.10 (6) a county attorney, selected by the Minnesota County Attorneys Association;

4.11 (7) a representative from the Board of Public Defense, selected by that board;

4.12 (8) a representative from a federal law enforcement agency, selected by the advisory
4.13 board;

4.14 (9) a representative from the Insurance Federation of Minnesota selected by the
4.15 advisory board;

4.16 (10) a representative from the retail merchants industry, selected by the advisory
4.17 board;

4.18 ~~(10)~~ (11) a representative from the banking and credit union industry, selected by
4.19 the advisory board;

4.20 ~~(11)~~ (12) a representative on behalf of senior citizens, selected by the advisory board;

4.21 ~~(12)~~ (13) the statewide commander of the task force;

4.22 ~~(13)~~ (14) two additional members selected by the advisory board;

4.23 ~~(14)~~ (15) a senator who serves on the committee having jurisdiction over criminal
4.24 justice policy, chosen by the Subcommittee on Committees of the senate Committee on
4.25 Rules and Administration; and

4.26 ~~(15)~~ (16) a representative who serves on the committee having jurisdiction over
4.27 criminal justice policy, chosen by the speaker of the house.

4.28 The advisory board may adopt procedures to govern its conduct and shall select a chair
4.29 from among its members. The legislative members of the advisory board may not vote on
4.30 matters before the board.

4.31 **EFFECTIVE DATE.** This section is effective July 1, 2012.

4.32 Sec. 5. Minnesota Statutes 2010, section 299A.681, subdivision 7, is amended to read:

5.1 Subd. 7. **Grants authorized.** The commissioner of public safety, with advice
5.2 from the advisory board, shall make grants to state and local units of government to
5.3 combat identity theft and financial crime including, but not limited to, motor vehicle theft,
5.4 mail theft and mail fraud, financial transaction card fraud, possession of stolen property,
5.5 insurance fraud, and theft by swindle. The commander, as funding permits, may prepare a
5.6 budget to establish four regional districts and funding grant allocations programs outside
5.7 the counties of Hennepin, Ramsey, Anoka, Washington, and Dakota. The budget must be
5.8 reviewed and approved by the commissioner to support these efforts.

5.9 **EFFECTIVE DATE.** This section is effective July 1, 2012.

5.10 Sec. 6. Minnesota Statutes 2010, section 299A.681, subdivision 10, is amended to read:

5.11 Subd. 10. **Funding.** (a) The commissioner may accept lawful grants and in-kind
5.12 contributions from any federal, state, or local source or legal business or individual not
5.13 funded by this section for general operation support, including personnel costs. These
5.14 grants or in-kind contributions are not to be directed toward the case of a particular
5.15 victim or business. The task force's fiscal agent shall handle all funds approved by the
5.16 commissioner, including in-kind contributions.

5.17 (b) The commissioner shall use the amount transferred under section 65B.84,
5.18 subdivision 1, paragraph (b), for grant awards under subdivision 7.

5.19 **EFFECTIVE DATE.** This section is effective July 1, 2012.