

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-NINTH SESSION**

**S.F. No. 1038**

(SENATE AUTHORS: METZEN, Gazelka, Kent, Dahle and Dahms)

DATE	D-PG	OFFICIAL STATUS
02/23/2015	393	Introduction and first reading Referred to Commerce
03/11/2015	641a	Comm report: To pass as amended and re-refer to Finance

A bill for an act

1.1 relating to commerce; providing funding for the insurance fraud prevention  
1.2 account; ending the annual transfer of money from the automobile theft  
1.3 prevention program to the general fund; amending Minnesota Statutes 2014,  
1.4 sections 45.0135, subdivision 6; 65B.84, subdivision 1; 297I.11, subdivision 2.  
1.5

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

1.7 Section 1. Minnesota Statutes 2014, section 45.0135, subdivision 6, is amended to read:

1.8 Subd. 6. **Insurance fraud prevention account.** The insurance fraud prevention  
1.9 account is created in the state treasury. Money received from assessments under  
1.10 subdivision 7 and transferred from the automobile theft prevention account as provided  
1.11 in section 297I.11, subdivision 2, and transferred from the automobile theft prevention  
1.12 account in section 65B.84, subdivision 1, is deposited in the account. Money in this  
1.13 fund is appropriated to the commissioner of commerce for the purposes specified in this  
1.14 section and sections 60A.951 to 60A.956.

1.15 Sec. 2. Minnesota Statutes 2014, section 65B.84, subdivision 1, is amended to read:

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

1.17 The commissioner of commerce shall:

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

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

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

2.5 (4) develop a plan of operation including:

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

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

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

2.10 (iv) a plan for eliminating car hijacking; and

2.11 (v) an estimate of the funds required to implement the plan; and

2.12 (5) distribute money, in consultation with the commissioner of public safety,  
2.13 pursuant to subdivision 3 from the automobile theft prevention special revenue account  
2.14 for automobile theft prevention activities, including:

2.15 (i) paying the administrative costs of the program;

2.16 (ii) providing financial support to the State Patrol and local law enforcement  
2.17 agencies for automobile theft enforcement teams;

2.18 (iii) providing financial support to state or local law enforcement agencies for  
2.19 programs designed to reduce the incidence of automobile theft and for improved  
2.20 equipment and techniques for responding to automobile thefts;

2.21 (iv) providing financial support to local prosecutors for programs designed to reduce  
2.22 the incidence of automobile theft;

2.23 (v) providing financial support to judicial agencies for programs designed to reduce  
2.24 the incidence of automobile theft;

2.25 (vi) providing financial support for neighborhood or community organizations or  
2.26 business organizations for programs designed to reduce the incidence of automobile  
2.27 theft and to educate people about the common methods of automobile theft, the models  
2.28 of automobiles most likely to be stolen, and the times and places automobile theft is  
2.29 most likely to occur; and

2.30 (vii) providing financial support for automobile theft educational and training  
2.31 programs for state and local law enforcement officials, driver and vehicle services exam  
2.32 and inspections staff, and members of the judiciary.

2.33 (b) The commissioner may not spend in any fiscal year more than ten percent  
2.34 of the money in the fund for the program's administrative and operating costs. The  
2.35 commissioner is annually appropriated and must distribute the amount of the proceeds  
2.36 credited to the automobile theft prevention special revenue account each year, less the

3.1 transfer of \$1,300,000 each year to the ~~general fund~~ insurance fraud prevention account  
3.2 described in section 297I.11, subdivision 2.

3.3 (c) At the end of each fiscal year, the commissioner may transfer any unobligated  
3.4 balances in the auto theft prevention account to the insurance fraud prevention account  
3.5 under section 45.0135, subdivision 6.

3.6 Sec. 3. Minnesota Statutes 2014, section 297I.11, subdivision 2, is amended to read:

3.7 Subd. 2. **Automobile theft prevention account.** A special revenue account in  
3.8 the state treasury shall be credited with the proceeds of the surcharge imposed under  
3.9 subdivision 1. Of the revenue in the account, \$1,300,000 each year must be transferred to  
3.10 the ~~general fund~~ insurance fraud prevention account under section 45.0135, subdivision 6.  
3.11 Revenues in excess of \$1,300,000 each year may be used only for the automobile theft  
3.12 prevention program described in section 65B.84.