



PLAN OF OPERATION

Revised May 2012

**Board of Directors
Automobile Theft Prevention Authority**

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Michigan Department of State Police

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Vice President and Chief Claims Officer
Auto Club Group

Ms. Laura Pierman
Claims Facility Manager
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Representing Purchasers of Automobile Insurance:

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Pursuant To Act 174 of 1992
Copies of the
Plan of Operation
may be obtained electronically at: www.michigan.gov/atpa

INTRODUCTION

The Automobile Theft Prevention Authority (ATPA) was established with a 5-year "Sunset" provision by Act 10, P.A. of 1986, to reduce automobile theft in the state of Michigan. The authority is directed by a seven-member Board of Directors appointed by the Governor with advice and consent of the Senate. This seven-member board consists of two representatives of automobile insurance purchasers, two representatives from Michigan insurance companies, two representatives from law enforcement agencies and the Director of the Department of State Police. The Board of Directors meets quarterly at various locations around the state, and notice of the time, date, and place is published in accordance with the open meetings act.

During 1992, the Legislature removed the "Sunset" provision and made the ATPA a permanent program with Act 174, P.A. of 1992. Further amendments were made by Act 143, P.A. of 1993.

The activities of the authority are funded by annual assessments on automobile insurance companies of \$1 (\$1 per car/per year) per private passenger vehicle policy year earned in the previous year. Those funds (approximately \$6 million annually) are awarded to various projects which fulfill the authority's mission of initiating new programs to reduce auto theft. The authority's list of objectives clearly indicates the types of projects the authority is seeking to fund:

- A. To provide financial support to the Department of State Police and local law enforcement agencies for economic automobile theft enforcement teams.
- B. To provide financial support to state or local law enforcement agencies for programs designed to reduce the incidence of economic automobile theft.
- C. To provide financial support to local prosecutors for programs designed to reduce the incidence of economic automobile theft.
- D. To provide financial support to judicial agencies for programs designed to reduce the incidence of economic automobile theft.
- E. To provide financial support for neighborhood, community, or business organizations for programs designed to reduce the incidence of automobile theft.
- F. To conduct educational programs designed to inform automobile owners of methods of preventing automobile theft and to provide equipment, for experimental purposes, to enable automobile owners to prevent automobile theft.
- G. To approve automobile theft prevention devices which qualify insured for a premium discount on their automobile comprehensive coverage.

This document represents the Plan of Operation for the ATPA originally required by Act 10, P.A. of 1986. It was adopted on December 3, 1986, and amended in June 1988, June 1990, June 1991, July 1998 and May 2012. It presents a general plan for the disbursement of the funds collected by the authority. This plan is a "living" document which may be revised by the Board of Directors at any time.

SECTION I

ELIGIBILITY FOR GRANTS

A. Eligible Organizations

Law enforcement agencies, prosecutors and judicial agencies are eligible to apply for Automobile Theft Prevention Authority (ATPA) grants. In addition, non-profit organizations under IRS code section 501 (c)(3), (e.g. neighborhood organizations, community organizations and business organizations) are eligible to apply for an ATPA grant. Grants will be awarded to enhance automobile theft prevention efforts.

B. Eligible Programs

The ATPA has established the following categories of programs eligible for funding.

The authority recognizes that some overlap of effort may exist among these program categories:

- Law Enforcement/Detection/Apprehension
- Prosecution/Adjudication/Conviction
- Prevention
- Anti-Theft Devices

1. Law Enforcement/Detection/Apprehension

Funds may be allocated for the establishment of automobile theft enforcement teams and other detection/apprehension programs. Funding may be provided for state, county, municipal and township enforcement efforts that target areas of the state which have large motor vehicle theft problems.

Although not clearly identifiable through currently available statistics, economic auto theft often transcends jurisdictional boundaries. For that reason, enforcement efforts covering multiple jurisdictional boundaries may receive priority for funding. These multiple jurisdictional efforts may include, but are not limited to, several municipalities, counties or regions.

Detection and apprehension of automobile theft programs may include, but are not limited to, community involvement programs, detection training programs and enhancements to information gathering programs. Community involvement programs have proven their effectiveness with increased area arrests and recovery statistics.

Detection training programs may include training in: inspection procedures, identifying fraudulent titles, investigation of suspicious claims and development of fraud profiles and investigative methods unique to the crime of automobile theft.

Accurate data compiled by information gathering systems is required to properly assess the automobile theft program and to measure the effectiveness of programs that combat it. Programs addressing enhancements to these systems may also be considered for funding.

Examples of enforcement/detection/apprehension programs that may be funded are:

- Enforcement programs utilizing law enforcement personnel, either alone or in conjunction with personnel from other fields concerned with the automobile theft problem.
- Statewide training for patrol officers in the proper techniques of identifying and recovering stolen automobiles.
- Programs to combat automobile theft at the street level.
- Programs to reduce the incidence of insurance fraud.
- Programs designed to strike at chop shop operations through covert surveillance, undercover operations and sting operations.
- Programs for information gathering systems to target repeat offenders and high theft areas.
- Programs for information gathering systems to assist in measuring program effectiveness.
- Programs to improve inspection and regulation of repair facilities and automobile dealers (parts dealer, distress vehicle transporter, scrap metal processor and salvage pool operator).
- Programs to assist the insurance industry in identifying fraudulent claims.
- Participation in interstate intelligence networks.

2. Prosecution/Adjudication/Conviction

Funding may be provided for prosecution and judicial programs designed to assist with the prosecution of persons charged with automobile theft offenses. Under this category, funding may be provided for efforts to implement legislative change that assist in the prosecution of auto thieves and the forfeiture of their property.

At present, the prosecution of vehicle theft cases has a relatively low priority at the local and state levels. This is due to: 1) auto theft is a property crime as opposed to a personal crime; 2) the judiciary is not aware of the seriousness of the crime; 3) the victim receives insurance compensation; and 4) vehicle theft prosecutions are often complex and expensive.

Despite these constraints, prosecution and conviction of automobile thieves is one of the most important means of breaking vehicle theft rings and reducing the economic incentives for automobile theft. Having a special prosecutor handle vehicle theft cases vertically through both district and circuit courts has proven very effective in achieving convictions.

The following programs provide examples of prosecution/adjudication programs that may be funded:

- Additional prosecution staff to concentrate on automobile theft cases.
- Workshops designed to train assistant prosecuting attorneys who specialize in automobile theft prosecution.

- Programs to introduce and support legislative changes in statutes pertinent to the prosecution of automobile thieves and the forfeiture of their property.
- Workshops designed to educate the Michigan judiciary about the serious nature of automobile theft.
- Programs to monitor judicial results of automobile theft cases.
- Programs to support better employment of habitual criminal statutes.

3. Prevention

Although it may be difficult to measure the effectiveness of prevention, the ATPA has established this category to include programs that promote public awareness, provide public training in theft prevention measures and support prevention programs.

Without prevention efforts and support from the public, law enforcement alone cannot effectively reduce auto thefts in Michigan. Statistics indicate that in four out of five cases of auto theft, owners have left doors unlocked; and in one out of five cases, keys have been left in the ignition. Public education campaigns and prevention training programs can increase individual awareness of the costs of auto theft, provide tips for the owners to assist in the prevention effort and demonstrate the savings that preventive measure can yield.

In an effort to assure maximum effectiveness and statewide coverage of a prevention campaign, the authority may give preference to applications covering multiple jurisdictions over applications from individual organizations.

Examples of prevention programs that may be funded are:

- Programs that inform and educate the community about the automobile theft program through block club organizations, neighborhood watch programs and schools
- Programs to stimulate public awareness
- Programs to inform and encourage public participation in theft prevention and enforcement efforts

4. Anti-Theft Devices

The ATPA was charged in Act 10 with the responsibility for approving automobile theft prevention devices. Therefore, the authority may contract for research, establishment of testing and performance standards and testing of anti-theft devices. That responsibility was not altered by the subsequent amendments.

The ATPA Board of Directors found that the cost of testing anti-theft devices and establishing performance standards was cost prohibitive and a process

which should be born by the private sector. The board chose to describe categories of devices in broad general terms rather than specific devices.

On March 23, 1987, the authority approved interim standards for automobile theft prevention devices. Installation of those devices may qualify for a reduction in the automobile's comprehensive insurance. The amount of the reduction is determined by each company.

Those interim standards were revised by the ATPA Board of Directors on June 22, 1994, to include devices which assist in the recovery of the vehicle. These standards are included as Appendix A of this document.

C. Annual Application Period

Since the ATPA grants are awarded competitively for a specific fiscal year (10/01/XX through 9/30/XX), an application must be made annually. Current grantees are sent an application for the next year no later than the 1st of May. The announcement that the ATPA is accepting applications is posted on the ATPA website.

The deadline for all grant applications is June 1st.

D. Grant Objectives

In response to Auditor General recommendations, standardized performance objectives unique to law enforcement grantees, prosecutor grantees and prevention grantees have been established. The objectives were developed by a committee of the affected groups reaching a consensus with the ATPA staff on the elements necessary to conduct a successful program. Samples of the three types of objectives can be found in Appendix B.

E. Eligible Expenditures

1. Regular salaries.
2. Fringe benefits.
3. Overtime salaries not to exceed five percent of the actual regular hours worked.
4. Travel and meals for an officer who is required to travel outside normal territory, but not to exceed \$500 per employee/per year.
5. Vehicle operation cost not to exceed:
 - a. *law enforcement agency, not less than \$6,500 per employee engaged in road patrols/investigations each grant year. This amount could change; refer to the grant application EX-031, for the specific dollar amount that will be awarded each grant year.*
 - b. *prosecutor office \$1,500 per assistant prosecutor (mileage and parking reimbursement).*
 - c. *non-profit organization \$1,500 for mileage expense per employee.*
6. Film and processing costs (not to exceed \$500).
7. Office space rental.
8. Desk for new project only not to exceed \$325 per desk.
9. Chair for new project only not to exceed \$150 per chair.

10. File cabinet not to exceed \$250 per cabinet.
11. Camera not to exceed \$300 per camera.
12. Tape recorder not to exceed \$100 per tape recorder.
13. Copier usage not to exceed:
 - a. law enforcement agency \$200 per month.
 - b. prosecutor office \$1,000 per year.
 - c. non-profit agency \$250 per year.
14. Phone installation.
15. Phone usage not to exceed:
 - a. law enforcement agency and prosecutor office \$50 per month per person.
 - b. non-profit agency \$500 per year.
16. Office supplies not to exceed \$150 per year per person.
17. Investigative supplies for law enforcement agency not to exceed \$250 per year per person.
18. Computer purchase, prior approval is required.
19. Cell phone purchase/usage, prior approval is required.

F. Ineligible Expenditures

1. Inordinate fringes, including but not limited to lump sum payments; e.g. banked sick/vacation time, pensions, health benefits and etc.
2. Indirect costs.
3. Expenditure(s) incurred before or after the grant period.
4. In-car terminals and system.
5. LEIN usage fees.
6. Liability insurance.
7. Membership and agency dues.
8. First class travel.
9. Entertainment.
10. Expenditures in excess of approved budget.
11. Clothing/cleaning/gun allowance.

G. Law Enforcement Grant Evaluation

In order to ensure that our police units were focused on the types of arrests that have the greatest impact on reducing vehicle thefts, we developed an arrest ranking formula for the 28 major auto theft related charges. A diverse group of law enforcement grant project directors met many times over the course of a year to discuss the issues and arrived at an acceptable system.

The committee assigned points to the arrest type based upon two factors: 1) how difficult it was to investigate and prove that particular charge; and 2) how much impact the conviction of a subject on that charge would have on area vehicle thefts. At the end of a grant year, we multiply the number of arrests in each category by the assigned points value and arrive at an average points per arrest for the grant. That data assists the ATPA board in evaluating whether or not a grantee is really successful. A copy of the arrest ranking formula can be reviewed in Appendix C.

SECTION II

GRANT POLICY STATEMENTS

A. Distribution of Funds

Money in the Automobile Theft Prevention Fund shall be expended in the following manner:

1. Administration of the Authority
 - Board expenses
 - Staff expenses
2. Law Enforcement Projects
 - Theft prevention training programs
 - Programs designed to reduce the incidence of automobile theft crimes, to apprehend the criminals or to recover stolen vehicles
3. Prosecution Projects
 - Programs designed to vertically prosecute auto theft related crimes and increase convictions
4. Prevention and Educational Programs
 - Programs to train Citizens Band/Crime Prevention Patrols or a neighborhood watch
 - Programs to educate neighborhood groups on auto theft prevention tactics
 - Programs to etch vehicle windows
5. Other Activities Which Assist in Combating Automobile Theft

The Automobile Theft Prevention Authority (ATPA) reserves the right to make all final decisions on awarding funds. It may also actively solicit applications for new programs. The Authority analyzes many factors before allocating grant funds including:

- a. Severity of area auto theft problem (i.e. one law enforcement officer per 380 thefts)
- b. Auto theft trends
- c. Performance history of grant (arrests, recovery, vehicles etched)
- d. Concentration of registered vehicles in the area (estimated ATPA revenues generated)
- e. Motor vehicle theft arrests reported in the area
- f. Amount of ATPA funding provided in the area
- g. Percentage of state vehicle thefts in the area

Utilizing these factors, the ATPA board strives to position limited resources into grants that will provide the greatest return on investment. Ideally, an area which had 10 percent of Michigan's thefts (problem) and registered vehicles (revenue) would be awarded 10 percent of the ATPA funds. Since some grantees are more successful than others at combating auto thefts, it is a constant challenge to shift human resources from an area which has lowered thefts to an area where thefts are increasing.

B. Length of Grant Period

Grant applications are made available no later than the 1st of May each year and it is due back to the Authority no later than June 1st. Then the Authority holds public hearings on the grants and usually announces its decision in August of each year.

Grants are awarded for one fiscal year: October 1 through September 30. A renewal application must be prepared for the continuation of a project beyond the initial grant period. Approval of renewal applications will be based on prior years accomplishments.

C. Grant Payments

Advance payments are permitted to non-profits 501(c)(3) organizations. Grant payment to the remaining grantees is based on semiannual reimbursement. The grantees must submit the semiannual financial and quarterly progress reports in accordance with ATPA requirements.

D. Matching Funds

ATPA board of directors increased matching funds, from 40 percent to 50 percent beginning in 2010 due to a shortfall in funding.

Non-profit neighborhood and community 501 (c)(3) organizations are exempt from this requirement.

E. Reporting Requirements

All grantees must submit quarterly performance activity (progress) reports and expenditure (financial) reports based on the schedule listed below.

ORGANIZATION TYPE	REPORTS	REPORTING PERIOD	DUE DATES
Prosecuting Attorney And Law Enforcement	Progress Reports	10-1-XX to 12-31-XX	1-31-XX
	Progress Reports	1-1- XX to 3-31- XX	4-30- XX
	Financial Reports	10-1- XX to 3-31- XX	4-30- XX
	Progress Reports	4-1- XX to 6-30- XX	7-31- XX
	Financial Reports	4-1- XX to 9-30- XX	10-15- XX
Non-Profits 501 (c)(3)	Progress Reports	7-1- XX to 9-30- XX	10-31- XX
	Progress Reports	10-1- XX to 12-31- XX	1-31- XX
	Financial Reports	10-1- XX to 12-31- XX	1-31- XX
	Progress Reports	1-1- XX to 3-31- XX	4-30- XX
	Financial Reports	1-1- XX to 3-31- XX	4-30- XX
	Progress Reports	4-1- XX to 6-30- XX	7-31- XX
	Financial Reports	4-1- XX to 6-30- XX	7-31- XX
	Financial Reports	7-1- XX to 9-30- XX	10-15- XX
Progress Reports	7-1- XX to 9-30- XX	10-31- XX	

F. Monitoring Policy

The Authority's staff will conduct periodic monitoring of quarterly financial and progress reports to:

- 1) Ensure the grant money has been spent in accordance with Act 174 (P.A. 1992), authority policies and the orientation agreement.
- 2) Determine if the project is making adequate progress on its stated goals and objectives.

Monitoring may be conducted on any grant - regardless of grant amount - during the grant period at the discretion of the authority or at the end of the grant period.

G. Grant Modification

Approved grant project programs or budgets may not be modified without prior written approval of the Authority. Project revision requests must be submitted to the Authority in advance of the need for the change.

H. Forfeiture Policy

Any funds received or generated as a result of auto theft activities shall be used to enhance currently funded and/or future auto theft prevention programs. Funds received include, but are not limited to, forfeiture of cash and receipts from sale of property. If project enhancement activities are terminated, the unexpended revenues shall be promptly returned to the ATPA.

I. Additional Grant Requirements

Documentation of tax-exempt status (501 (c)(3) certificate) with the Internal Revenue Service and articles of incorporation as filed with the State are required of non-governmental applicants.

Each application must contain a statement of post grant intent for either the continuation or termination of the project.

Eligible criminal justice agencies applying for funds for training programs are required to have sought and been denied Justice Training funds (Act 302, P.A. of 1982) prior to application for an ATPA grant.

SECTION III

CURRENT FUNDS ALLOCATION

For 2010, the Automobile Theft Prevention Authority (ATPA) has distributed its available funds into the major categories listed below. This current allocation formula may change as needs demand.

ACTIVITY	PERCENT OF ATPA FUNDS	ACTUAL AMOUNT
ATPA Staff and Board Member Expenses	6.4	\$366,867
Indirect Expenses	0.3	19,908
Enforcement/Detection/Apprehension Programs	80.8	4,643,054
Prosecution/Adjudication/Conviction Programs	10.7	614,620
Prevention Programs	1.7	99,926
Totals	<u>100.0%</u>	<u>\$5,744,375</u>

*While the ATPA receives approximately \$6.2 million in insurance assessments, the Authority has been able to commit this level of financial support to its projects because: 1) It did not make any awards in the year it was established, staffed and organized; 2) Some grantees lapsed funds; and 3) Small interest was earned on revenue deposits.

The following table summarizes 2010 grant awards by county. It also indicates the percentage of Michigan's auto thefts which occur in those counties and the percentage of Michigan's vehicles in the county.

COUNTY	\$ AWARDED BY COUNTY	% OF FUNDS AWARDED	% OF STATE THEFTS 2010	% OF STATE PASSENGER VEHICLE 2010
Berrien (1)	264,688	5.0%	3.2	7.4
Genesee	394,954	6.0%	4.5	4.2
Ingham	122,088	2.3%	1.4	2.6
Kent	273,670	4.4%	3.0	6.0
Macomb (2)	626,921	10.5%	8.4	13.0
Monroe (3)	79,855	1.5%	1.0	2.7
Muskegon	61,327	1.1%	0.9	1.7
Oakland	791,226	13.7%	7.3	13.3
Ottawa	46,424	0.9%	0.4	2.6
Saginaw	173,401	2.2%	0.9	2.0
Washtenaw (4)	132,494	2.5%	3.1	6.8
Wayne	3,118,56	49.9%	61.2	15.7
TOTALS	6,085,60	100.0%	95.3	78.0
		Rest of State	<u>4.7</u>	<u>22.0</u>
			100.0%	100.0%

(1) Includes Calhoun, Cass, Kalamazoo, St. Joseph, and VanBuren Counties

(2) Includes Huron, Lapeer, Sanilac, St. Clair and Tuscola Counties

(3) Includes Lenawee County

(4) Includes Jackson and Livingston Counties

SECTION IV

PROJECTED PROGRAM NEEDS

Currently, the Automobile Theft Prevention Authority (ATPA) revenues are based upon the number of passenger vehicles that are insured in Michigan. While revenue has increased from the \$5.1 million collected in 1986 (when the program began) to the \$6.25 million received in 2010, program costs (primarily officer/employee) have greatly exceeded the 23 percent increase in revenues. In order to responsibly live within its revenues, the ATPA has reduced the number of officers it supports from 97 in 1989 to 85 for 2010 and mandated that law enforcement and prosecutor agencies contribute a 50 percent local match of total program costs. This match requirement has created an economic burden for many of the agencies we currently fund.

The ATPA believes there is a direct correlation between the number of officers combating auto theft and the number of auto thefts that occur in our state. The more officers assigned to auto theft cases deters owner fraud, leads to more arrests, and results in lower thefts. When the ATPA was able to fully fund 97 officers, Michigan's auto thefts were consistently reduced. It is our position that to have an optimum auto theft program we need a minimum of 100 officers dedicated to apprehending the thieves and recovering the vehicles.

Since the inception of the ATPA in 1986 the method of funding the ATPA has remained unchanged. The ATPA is funded by an annual \$1.00 assessment on each insured non-commercial passenger vehicle, plus interest earned by investing those funds. As a result of inflation over the last 24 years, the 1986 dollar is only worth \$.50 in 2010.

We need legislation passed in our State that would increase the assessment from \$1.00 to at least \$2.50 for each non commercial vehicle. If this potential legislation were enacted, we project an additional 9.4 million in revenue which would assist us in placing more officers in high theft areas of the state. The ATPA projects a need for \$13.6 million - with some sort of additional inflationary protection - in order to fund 100 police officers and related support staff over the next 20 years. The projection for an optimum auto theft program is as follows:

OPTIMUM PROGRAM	100% Funding (No Match Requirements)
Law Enforcement Officers (100)	10,000,000
Vehicles (100)	650,000
Field Support Staff (13)	650,000
Assistant Prosecutors (10)	1,200,000
Community Organizations (10)	200,000
Field & Office Operations Expenses	390,000
ATPA Staff and Board Expenses	500,000
TOTAL	\$13,590,000

Regardless of the level of resources, the ATPA will make program adjustments to ensure the effective and efficient distribution of those resources and to direct the efforts of the many cooperative task forces to areas where the problem is the greatest.

SECTION V

Michigan Perspective

Michigan is the original home of most of America's automobile manufacturers and remains the automotive capitol of the world. Our citizens continue their love affair with their automobile and embrace their individual freedoms gained by vehicle ownership. Personal transportation continues to be more expensive than mass transportation—a vehicle is second only to a home in expense but we have invariably chosen a personal vehicle over the option of a bus or train. In addition, the vehicle we drive has come to reflect our “success” and “status” in society.

Vehicle Theft Elements

Cars are generally stolen for one of three purposes: (1) for temporary transportation, such as use in committing another crime or for “joyriding” (2) to strip the car of its valuable parts for resale, i.e.: air bags, catalytic converters, etc. (3) to re-sell it, often disguised with a legitimate title.

Why a person decides to become a thief is not within the scope of this document. However, once a person decides to steal a vehicle, entry to the target vehicle is often made by simply breaking the glass and defeating the ignition switch and is normally done with the common screwdriver and hammer. The most common vehicles stolen in Michigan are close to 10 years old. The reason for this is anti-theft auto technology is being installed in newer model vehicles and making them less attractive to would-be thieves. Parts for older model vehicles are interchangeable and also in high demand.

The motor vehicle theft problem is unique because many times the vehicle owner is actively involved in the crime: experts believe that 20 percent to 30 percent of motor vehicle thefts are fraudulent claims. There seems to be a prevalent attitude that insurance fraud is easy to perpetrate and seldom prosecuted. Many vehicle owners who get into financial difficulty apparently believe the insurance companies owe them a return of the premiums they have paid over the years so they file a false claim. Their vehicle may need expensive mechanical repairs; they may have canceled their collision coverage to save money and then had a serious collision; they may have lost their job and are no longer able to make the monthly payments; or they may have simply given their vehicle to someone in return for drugs or sex.

Regardless of the underlying reason, many owners arrange for their vehicle to “disappear” before they file a theft claim so they can pay off the vehicle loan. Some of the more common methods owners use are: hide the vehicle in a friend's garage, burn the vehicle, drive the vehicle into a river or lake, have the local salvage yard crush the vehicle, or pay some one to strip the vehicle and position the “hulk” where police can prove it was stolen. To add to the complexity of this crime, some innovative owners have their vehicle carefully dismantled, report it stolen to collect the insurance claim, buy the frame back from the insurance auction and put the original parts back on it.

Manufacturer Actions

To their credit, motor vehicle manufacturers have responded to the theft problems by redesigning the door locks, ignition locks and keys, steering column collars, and by installing a variety of security systems including GPS (Global Positioning

System). Those measures have helped slow down the theft of particular models, but thieves have, over time, become more sophisticated and are able to defeat many anti-theft systems. On those vehicles that can only be driven with a special key or ignition code, the thieves will break into homes to obtain the keys or tow the vehicles to their “work site” to strip it or defeat the vehicle’s system.

Law Enforcement Issues

If all these aforementioned motor vehicle theft factors do not present enough problems for law enforcement, many theft reports are simply family disputes or boyfriend/girlfriend arguments over the use of a vehicle. Other theft reports involve arguments between the vehicle rental agency and the person who rented the vehicle. Those civil situations are supposed to be deleted from the jurisdiction’s theft totals. However, many times they are not deleted and cause the state’s motor vehicle theft totals to be inflated. An increasing trend is for people to purchase a vehicle with either fraudulent identification or an altered money order. Depending upon the prosecutor’s view, those cases may be considered “white collar” crimes rather than motor vehicle thefts, but law enforcement agencies are compelled to respond with the same investigative resources that are normally devoted to vehicle theft.

While motor vehicle theft is considered a major crime and the Automobile Theft Prevention Authority attempts to provide the resources for an adequate law enforcement response, many law enforcement officials view vehicle thefts as an insurance company problem. Since motorists are required to insure their vehicles, it is easy to consider the insurance company as the “victim” of this property crime. So it is understandable for law enforcement officials to dedicate their limited number of officers to the battle against violent crimes instead of vehicle theft. Include the fact that thieves can make as much as \$500 for just a couple minutes work and that most subjects convicted of stealing vehicles are often not even incarcerated, and we have just described a low risk crime which is highly rewarding. Some studies have revealed that motor vehicle theft is actually a training ground for criminals because most subjects who end up in prison for more serious crimes began their life of crime by stealing vehicles.

Since there is such a broad spectrum of motor vehicle thieves, it is impossible for law enforcement to utilize just one response tactic or to endorse a preferred tactic. Law enforcement officers must be as creative as the thieves in selecting appropriate tactics to catch and convict them. Officers have indicated that, even within the different categories of motor vehicle theft, they cannot identify the “best” approach. Since thieves are all unique individuals, a tactic that works well in one case may not work in the next case.

Where a car is located is a critical factor in determining how best to combat the problem with the right tactic. Because suburban residential areas (single-family residences) are relatively safe and quiet, residents can become complacent about car security. National Crime Survey data indicate that most car thefts (37 percent) occur on the street outside the victim’s home. A car parked on the street is much more likely to be targeted by criminals than a car parked in a driveway.

The only agreement we have found in the law enforcement community regarding motor vehicle theft cases is that all theft investigations involve difficult detective work, and the officer must be able to get into the thief’s head in order to determine which technique will work.

Actual Michigan Auto Thefts

MICHIGAN'S MOTOR VEHICLE THEFT TREND

From 1986 to 2010, Michigan has successfully reduced motor vehicle theft incidents by 62 percent. However, Michigan's experience with motor vehicle theft appears even more favorable when compared with the national decrease of only 39.8 percent for the same time period.

	VEHICLE THEFTS	
	# MVT	% CHANGE
1986	72,021	
1992	58,037	-19
1998	56,536	-3
2004	49,982	-12
2010	26,875	-46
Net Change	45,146	-62

In comparison with other states, Michigan is currently ranked as the 6th highest theft state in the nation and has the 10th highest theft rate (per 100,000 population). For a historical perspective, Michigan was ranked as the 4th highest theft state in 1985 and as the 7th highest state in 1992. On the theft rate scale, Michigan ranked 2nd in 1985 and 11th in 1994.

2010 FBI MOTOR VEHICLE THEFTS				
State		Total 2010 MVT	Theft Rate per 100,000 pop.	
1	California	152,524	1	District of Columbia 836.9
2	Texas	68,023	2	California 409.4
3	Florida	41,462	3	Washington 382.6
4	Georgia	30,305	4	Nevada 377.1
5	Illinois	28,796	5	Hawaii 374.9
6	MICHIGAN (UCR)	26,875	6	Arizona 336.5
7	Washington	25,729	7	Georgia 312.8
8	New York	21,870	8	Maryland 312.6
9	Arizona	21,508	9	South Carolina 285.3
10	Ohio	21,118	10	Michigan 271.9
11	North Carolina	18,310	11	Oklahoma 271.6
12	Maryland	18,051	12	Texas 270.5
13	Pennsylvania	16,669	13	Missouri 268.0
14	Missouri	16,051	14	New Mexico 254.8
15	New Jersey	15,556	15	Tennessee 233.8
16	Tennessee	14,835	16	Oregon 232.6
17	South Carolina	13,197	17	Alaska 228.0
18	Indiana	13,118	18	Rhode Island 227.9
19	Massachusetts	11,453	19	Illinois 224.4
20	Colorado	11,247	20	Colorado 223.6
NATIONAL TOTAL		738,579	NATIONAL AVERAGE 218.4	

* Unified Crime Reporting (UCR)

Michigan's motor vehicle theft problem seems to follow the national trend: large urban population areas are high theft centers. For example, Wayne County has approximately 19 percent of the state's population, and 62 percent of the state's motor vehicle thefts are reported in Wayne County. The City of Detroit-a jurisdiction with a population of nearly 1 million has 75 percent of that county's thefts. The ATPA has always invested a major portion of its revenues in Detroit.

MICHIGAN MOTOR VEHICLE THEFTS - TOP 20 COUNTIES			
COUNTY	1986 THEFTS	2010 THEFTS	% CHANGE 1986 - 2010
WAYNE	43,300	16,444	-62.0%
OAKLAND	9,310	1,956	-79.0%
MACOMB	5,832	1,549	-66.5%
GENESEE	3,290	1,198	-63.6%
KENT	1,778	810	-54.4%
WASHTENAW	1,449	586	-59.6%
INGHAM	812	383	-52.8%
KALAMAZOO	591	364	-38.4%
SAGINAW	569	252	-55.7%
MUSKEGON	331	251	-24.2%
MONROE	279	223	-20.1%
CALHOUN	244	205	-16.0%
ST. CLAIR	261	174	-33.3%
JACKSON	308	152	-50.6%
OTTAWA	194	100	-48.5%
VAN BUREN	150	95	-36.7%
BERRIEN	408	91	-77.7%
BAY	175	87	-50.3%
ST. JOSEPH	74	71	-4.1%
ALLEGAN	74	70	-5.4%
REMAINDER	2,592	1,404	-45.8%
STATE TOTAL	72,021	26,875	-62.7%

APPENDIX A

STANDARDS FOR AUTOMOBILE THEFT PREVENTION AND RECOVERY DEVICES

**Approved By The Michigan Automobile Theft Prevention Authority, June
22, 1994**

Effective January 1, 1995

The following automobile theft prevention and recovery devices have been approved by the Automobile Theft Prevention Authority (ATPA), in accordance with Act 143 P.A. of 1993. Any vehicles which are equipped with or contain these devices will qualify for a reduction in the automobile's comprehensive insurance premium. The amount of the specific reduction for each category will be determined by each insurance company, and insurers may choose to provide a greater discount to vehicles which have devices from two or more categories.

Two categories of effectiveness in preventing vehicle theft have been identified, as well as one category for systems which assist in the recovery of the vehicle if it is stolen. Proper use of the systems described in categories one and two will respectively provide an optimum level and a minimum level of theft deterrence. A vehicle properly equipped with a recovery device will enhance efforts to recover the vehicle.

1. CATEGORY ONE – PASSIVE SYSTEMS PROVIDING OPTIMUM LEVEL OF SECURITY

The systems in this category will provide the optimum level of deterrence. To qualify for this discount, the vehicle must be equipped with at least one passive device (device is activated automatically when the vehicle's ignition key is removed).

- A. A passive alarm system which has a back-up battery and meets or exceeds criteria established in Category Two.
- B. Passive disabling devices which prevent the vehicle's steering, fuel, transmission/transaxle, ignition or starting systems from operating and devices which prevent the vehicle's braking system from releasing.
- C. A passive time delay ignition system which allows the vehicle to be started only after a preset delay or delayed ignition cut-off system which disables the vehicle at a preset engine speed.
- D. A passive vehicle entry/ignition key system.

2. CATEGORY TWO – ACTIVE SYSTEMS PROVIDING A MINIMUM LEVEL OF SECURITY

Any of the systems in this category will provide at least a minimum level of deterrence. To qualify for a discount, the vehicle must be equipped with at least one of these listed devices (which must be manually activated by the vehicle owner prior to leaving the vehicle). An insurer may choose to offer an increased discount if the vehicle has two or more of these devices.

- A. Alarm only devices--activated by a door, hood, or trunk being opened or by motion inside the vehicle--which sound an audible alarm that can be heard at a distance of at least 300 feet for a minimum of three minutes, or
- B. Manually activated disabling devices which prevent the vehicle's steering, fuel, transmission/transaxle, ignition or starting systems from operating, and devices which prevent the vehicle's braking system from releasing
- C. Etching of 17 digit VIN on windshield, rear window glass, and both front door windows

3. CATEGORY THREE – SYSTEMS WHICH ASSIST IN VEHICLE RECOVERY

The systems in this category enhance the effort to recover the vehicle after it is stolen.

- A. A device which, when activated, emits an electronic signal that can be tracked by either a law enforcement agency or by a private monitoring station which relays the information on the vehicle's location to law enforcement officers.

APPENDIX B

LAW ENFORCEMENT MEASURABLE OBJECTIVES

The measurable objectives submitted in the grant application are revised as follows:

- 1) Reduce the number of thefts in your grant area by investigating the cases that have the highest potential for reducing the demand for stolen vehicles, by arresting the subjects who are involved and by reducing false theft reports.
- 2) Reduce the economic gain associated with auto theft by recovering stolen vehicles or parts/equipment incidents, and by constantly identifying possible insurance frauds.
- 3) Recover more in stolen vehicles/parts/equipment value than the ATPA's total approved budget for the project.
- 4) Comply with all ATPA guidelines/policies/conditions and those of the Uniform Crime Reporting System.
- 5) Maintain clear and reliable documentation for the project's performance activity and financial expenditures.
- 6) Report dollar amount deposited into forfeiture account following auction.
- 7) Attend regular meetings for area detectives and insurance investigators.

LAW ENFORCEMENT EVALUATION CRITERIA

- 1) Number 14 point MVT related arrests
- 2) Number 12 point MVT related arrests
- 3) Number 10 point MVT related arrests
- 4) Number 8 point MVT related arrests
- 5) Number 6 point MVT related arrests
- 6) Number 4 point MVT related arrests
- 7) Number 2 point MVT related arrests
- 8) Number of insurance fraud related arrests
- 9) Number passenger vehicles recovered
- 10) Dollar value of recovered passenger vehicles
- 11) Number other vehicles recovered
- 12) Dollar value of other vehicles recovered
- 13) Number parts recovery incidents
- 14) Dollar value of recovered parts/equipment
- 15) Dollar amount deposited into forfeiture account following auction

PROSECUTOR MEASURABLE OBJECTIVES

- 1) Provide full-time access to the judicial system for ATPA funded auto theft units in your area and provide them a regular opportunity to informally discuss cases and legal issues.
- 2) Vertically prosecute all selected auto theft related cases.
- 3) Maintain a policy of only plea bargaining when absolutely necessary.
- 4) Achieve an overall conviction rate of 80 percent.
- 5) Achieve a trial conviction rate of 70 percent.
- 6) Strive for maximum sentence lengths for defendants.
- 7) Maintain reliable financial and performance records for the project.

PROSECUTOR EVALUATION CRITERIA

- 1) Number cases initiated
- 2) Number preliminary exams held
- 3) Number preliminary exams waived
- 4) Number cases disposed pre-trial
- 5) Number defendants who pled guilty to original charge
- 6) Number defendants who pled guilty to lesser included charge
- 7) Number plea bargain dismissals
- 8) Number other dismissals
- 9) Number cases disposed by trial (jury/judge)
- 10) Number defendants convicted on original charge
- 11) Number defendants convicted on reduced charge
- 12) Number defendants incarcerated
- 13) Number defendants fined/placed on probation
- 14) \$ Amount of restitution ordered
- 15) Number defendants convicted of insurance fraud

NON-PROFIT MEASURABLE OBJECTIVES

- 1) Conduct _____ auto theft awareness programs/seminars
- 2) Lead an area wide effort to etch _____ vehicles
- 3) Distribute _____ fliers/brochures on auto theft prevention
- 4) Publish _____ articles about auto theft prevention in association newsletter
- 5) Maintain clear and reliable documentation of project's financial expenditures and performance activity
- 6) Comply with all the guidelines and policies of the ATPA

* The grantee will refer to their orientation agreements for details

NON-PROFIT EVALUATION - REPORTING CRITERIA

- 1) Number auto theft awareness/prevention programs conducted
- 2) Number vehicles etched
- 3) Number fliers/brochures distributed
- 4) Number theft prevention articles written and published in a newsletter

APPENDIX C

ARREST RANKING FORMULA		
FELONY CHARGES	MAXIMUM SENTENCE	ARREST POINTS
Altering VIN With Intent To Mislead	4 Yrs.	10
Arson – Owner Involved	10 Yrs	14
B & E Motor Vehicle	10 Yrs	4
Car-Jacking	Life	8
Chop Shop	10 Yrs.	14
Continuing Criminal Enterprise	20 Yrs	14
Counterfeit Insurance Certificates	1 - 5 Yrs	6
Embezzlement	5 – 10 Yrs.	6
Failure to Return Rental Vehicle	5 – 10 Yrs.	6
False Certification	5 Yrs.	12
False Police Report – Motor Vehicle	4 Yrs	8
False Pretenses	5 – 10 Yrs.	12
False Statement In Application For Title	10 Yrs.	12
Forged License Documents/License Plates	5 Yrs	6
Insurance Fraud-Owner Staged Arson/Larceny/Theft	5 – 10 Yrs.	14
Interstate Transportation of Stolen Motor Vehicle	10 Yrs	14
Larceny By Conversion	5 – 10 Yrs.	6
Larceny from Motor Vehicle	5 Yrs.	4
Obtain personal ID without permission	5 Yrs	6
Odometer Fraud	5 Yrs	12
Operating License Forged, Altered Or False	1 – 10 Yrs	6
Possess or Sell Rosette Rivets	4 Yrs	4
Possess Stolen Vehicle With Intent To Pass Title	10 Yrs.	10
Repair - Salvage Facility Violation	2 Yrs.	4
R & C Stolen Property	5 - 10 Yrs.	8
UDAA	5 Yrs.	6
Unlawful Use	Misdemeanor	4
Use Fraudulent ID to Lease or Purchase Vehicle	5 Yrs.	12
All Other Charges		2

NOTE:

- 1) Project takes credit for most serious charge against subject and ignores others.
- 2) Project takes credit for original arrest charge even if reduced later by prosecutor.
- 3) If subject is arrested on three separate warrants, project may count three arrests.
- 4) Attempted crimes or conspiracy to commit crime earn same points as listed.

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