

Motor Vehicle Theft Prevention and Insurance Verification Council
Wednesday, November 14, 2018
10:00 a.m. – 12:00 p.m.

Illinois State Library
300 South Second St., Authors Room
Springfield, IL 62701

Meeting Minutes

1. Welcome and roll call

Chairman Piazza called the meeting to order at 10:00 a.m. and asked Micah Miller to take the roll call. The following Council members were present:

Pete Piazza, Director, Secretary of State Police
Sgt. Keith Blair, Chicago Police Department
Steve Lyddon, Illinois State Police
David Williams, Cook County State's Attorney's Office
Larry Johnson, Farmers Insurance
Matt Gall, Country Financial
Dana Popish, Allstate Insurance
Jerry Brady, Peoria County State's Attorney

The following individuals were also in attendance:

Micah Miller, Program Manager, Secretary of State
Amy Williams, Legal Counsel, Secretary of State
Sherry Brticevich, Grant Monitor, Secretary of State
Kacy Reiss, Dept. of Information Technology, Secretary of State
Dwayne Killian, Tri-County Auto Theft Task Force (TCAT)
Bill House, Secretary of State Budget Office
Lt. Elmer Garza, Deputy Director, Secretary of State Police
Sgt. Mike Geier, Chief Deputy Director, Secretary of State Police
Oscar Valenzuela, Chicago Police Department

Having recognized that a quorum was present (6 members or more physically present), Chairman Piazza asked the members take a few minutes to introduce themselves.

2. Approval of minutes

Mr. Miller instructed members to locate the minutes from the August 1, 2018 meeting and asked if there were any comments or revisions. Hearing none, Chairman Piazza asked for a

motion to approve the minutes. Mr. Johnson made the motion and Sgt. Blair seconded the motion. Hearing no objections, the minutes from August 1, 2018 were approved.

3. Grant Review Committee

Mr. Miller informed the Council that the following members volunteered for service on the Grant Review Committee: Pete Piazza, Todd Feltman, Dana Popish, Larry Johnson and Brian Fengel. Chairman Piazza asked if there were any questions or comments. Hearing none, he asked for a motion to adopt the members. Ms. Popish made the motion and Mr. Johnson seconded the motion. Hearing no objections, the Grant Review Committee members were adopted.

4. 2018 Annual Report Outline

Mr. Miller informed the Council that there is a statutory obligation to issue an annual report to the Governor and the Legislature on or before January 1 of each year. He recognized that the Illinois Criminal Justice Information Authority (ICJIA) provided a report nearly every year since the Council's inception, aside from 2017, which posed a unique challenge in that there was difficulty attaining a quorum since the Council was unable to fund programs. However, for 2018, a report should be issued, despite program funding not actually being implemented in fiscal year 2018 or 2019.

Mr. Miller provided a guideline of the annual report content, which was based upon previous years, and asked for members to provide brief biographies and pictures for inclusion in the report. He explained that a draft would be emailed to the members for feedback, and then a final meeting of the year would be scheduled in December for a vote to approve the report.

Chairman Piazza asked if there were any questions or comments. He explained that Lt. Garza was helpful in putting together the Illinois vehicle theft numbers for the report, which were sourced by NICB.

5. Electronic Payment System Update

Mr. Reiss, with the Department of Information Technology, gave an update on the electronic payment system. He said that it is currently in staging, but has been tested and is ready to go. Mr. Miller said that they are still having discussions on the best way to contact insurance companies who would be required to remit payments. He said that the list provided to the Secretary of State by ICJIA included nearly 400 insurance companies, but only about 200 of those companies claimed to be writing auto policies for the year. Mr. Miller said that a future meeting with the Department of Insurance may provide a better way to contact only those companies who are required to remit a payment.

Mr. Johnson suggested that the Secretary of State send a letter to insurance companies that were on our 2018 mailing to let them know that a change in payment method will be coming

for 2019. The members agreed and Mr. Miller said that he would work on the language for a letter and share it with members soon.

Mr. Gall asked if there was a decision made on allowing insurance companies with multiple FEIN's to list all FEIN's and submit one payment. Mr. Reiss said that for now, companies would have to submit the FEIN's separately. Mr. Miller acknowledged that for 2018, companies with multiple FEIN's were filling out separate worksheets and having to mail them in, therefore, having to submit these worksheets electronically should be less of a burden and also save them the postage.

Ms. Popish asked if this was a self-reporting system or if there was a way to verify the amount of policies an insurance company wrote. Mr. Miller said that there was no way to verify if companies were sending the correct amount, but if you look through the years, the annual trust fund balance has been consistent.

Chairman Piazza thanked Mr. Reiss and the members for their feedback.

6. Grant Monitor Introduction – Sherry Brticevich

Ms. Brticevich introduced herself as the Grant Monitor for the Council and explained her background and current work with grants for the Secretary of State's office. The members took time to introduce themselves. David Williams said that he is a new designee for the Cook County State's Attorney's office who will be serving in place of Steven Block, who took a new job in the private sector. Mr. Williams introduced himself along with Oscar Valenzuela with the Chicago Police Department. Mr. Williams explained that he and Mr. Valenzuela work together with the Cook County State's Attorney's Regional Organized Crime Task Force (CCROC).

7. Financial Report – Bill House

Chairman Piazza asked Mr. House, Budget Analyst for the Secretary of State's Budget Office, to brief the members on the balance of the MVTPIV Trust Fund. Mr. House explained that the current balance as of November 13, 2018 was \$16,471,647. Chairman Piazza asked if there were any questions. Hearing none, he thanked Mr. House for his report.

8. 2016-2019 Strategy Discussion

Estimated Spending & Grant Timeline

Chairman Piazza asked the members to reference the material in their packet. Mr. Miller noted the memo which showed the financial breakdown of the Trust Fund located in their packet. He pointed to the possibility of \$5.8 million worth of grants being sustainable on a 4-year grant cycle, however that was reliant upon the backlog of funds that were never appropriated. Eventually, the amount of grants would settle to around \$3.4 million annually, if taking into account that 50% of fund will go toward supporting the electronic mandatory insurance system in the future. Mr. Miller also noted that the last grants awarded by the Council totaled nearly

\$6.5 million, however the Secretary of State's office would not be funding a Special Audit Team moving forward, which was a grant of just over \$1 million. Without that grant award, all of the other programming could be sustained on a 4-year grant cycle until the backlog is worked down to zero.

Chairman Piazza expressed an interest in seeing the funding used efficiently and not simply seeing it used for the sake of spending it quickly. He also wanted the members to consider funding fewer task forces.

Mr. Johnson said that in every year of funding that he had witnessed, the Council fell short of their projected spending plan. Therefore, the annual grant cycle of \$5.8 million, in his opinion, could be bumped up to \$6 million to try and achieve a zero balance at the end of the 4-year cycle. He also said that while he agrees that the money should be used efficiently, the Council was always aware that running balances could look attractive to administrations who could sweep those funds. Ms. Popish agreed that funding should be used wisely and not simply spent for the sake of using it.

Chairman Piazza said that vehicle theft at the dealership level should be considered in grant awards. Lt. Garza said that the prevention of thefts could start on a technological level with key-fob cloning that is currently happening.

Mr. Gall said he appreciated the level of work that went into building these task forces, establishing relationships with State's Attorney's and dedicating personnel to theft prevention and is eager to see what the response will be from these task forces when grants can be applied for again.

Chairman Piazza said that in his conversations with law enforcement, they indicated that personnel are prioritized on other task forces as opposed to vehicle theft, but he acknowledged that funding special prosecutors is a good use of the grant money. Mr. Johnson said that the Council did fund prosecutors in State's Attorney's offices and could do that again moving forward.

Mr. Miller asked Mr. Killian if they ever used grant funds with the Tri-County Auto Theft Task Force (TCAT) to pay for special prosecutors. Mr. Killian said that they paid for one full time and one part time prosecutor in Will County. He said that when the Council was drafting the 2016-2019 Strategy, these two prosecutors testified to the Council the advantages and disadvantages of having a prosecutor assigned to the unit, and they found it to be far more advantageous to have them on board because they could be on call after-hours in the event a search warrant was needed.

Mr. Miller asked if the prosecutors were funded through the Task Force and Mr. Killian said that they were in fact paid from the grant award to TCAT, which was included in their payroll. Mr. Brady said that prosecutors in Peoria County were also paid from the SLATE grant award. Lt. Garza said that he believe Cook County was the only special prosecutors who had a separate grand award, whereas the other prosecutors were funded through the task forces.

Mr. Williams stressed the importance in getting prosecutors involved in the inception of cases and said that they have prosecutors from Cook County involved very early with the Regional Organized Crime Task Force, which leads to better built cases. He also said getting the prosecutors educated on the cases early goes a long way to building a good case. Lt. Garza said that this is also why it is important for prosecutors to attend vehicle theft trainings when possible. Mr. Williams said that they would send prosecutors to NICB trainings for that reason.

Mr. Johnson said that Council funding could support prosecutors part time and doesn't necessarily have to be a fully funded position if law enforcement needs that connection to the State's Attorney's office.

Mr. Gall asked if there was an advantage to having the prosecutors paid through task force operations versus having them apply directly. Mr. Johnson said that the Council could consider soliciting grants from the State's Attorney's directly, and not going through a task force structure. Mr. Killian said that not all cases are success stories and if there is an issue that needs resolved with the state's attorney's office, the task force can have a voice if they are funding the special prosecutor.

Mr. Brady said the special prosecutors would also meet with the task force for their quarterly meetings, sometimes more often than that, just so they would know what the focus was. Mr. Miller asked if it was Mr. Brady's opinion that the prosecutor should be funded through the task force. Mr. Brady said that he thought it made sense to do it that way because there was more accountability to the unit.

Mr. Miller reminded the Council, when talking about funding options, that if they try to support a level of activity that effectively works down the accumulated money in the trust fund, that after the 4-year grant cycle, some programming will most likely have to be suspended once they have to rely upon the projected \$3.4 million annual revenue. He also reminded the Council that the overall Illinois auto theft numbers were trending down to their lowest levels in history, being around 17,000 in 2014 and 2015, but then in 2016 and 2017 the numbers went up over 20,000 again (according to the Uniform Crime Reports) or over 25,000 if you reference the NICB statistics. He wanted the Council to remember that this time period also coincides with the time that funds were not being appropriated and task forces were closing down.

Chairman Piazza asked if car-jackings are counted as thefts and if they had any bearing on the increased numbers. Sgt. Blair said that car-jackings are subdivided and are actually declining now.

Modification to Strategy

Mr. Miller explained that the statute directs the Council to establish statewide planning capabilities for the expenditure of grants. Also, the administrative rules state that this strategy should be consistent with the solicitation of proposals and awarding of grants. He pointed out the level of work that went into the 2016-2019 Strategy, which was due to be implemented on

January 1, 2016, however that never occurred due to the lack of appropriation. Therefore, it was Mr. Miller's recommendation to review the program areas listed in the 2016-2019 strategy, revise them to reflect the changes in the law due to Public Act 100-0373 and other suggestions from Council feedback, and rename this document the "Revised 2019-2022 Motor Vehicle Theft Strategy." The Council concurred.

Mr. Johnson said that when the 2016-2019 strategy was developed, ICJIA sent notices to interested parties to submit their ideas to the Council, which is where much of the content came from. He suggested setting something up for 2019 to have interested parties come back in and present ideas to the Council. Mr. Gall thought that was a good idea as well. Mr. Killian offered his perspective, since he presented at the last strategy development hearing and said that it was good to hear the different types of auto thefts from different counties since they have unique circumstances that don't necessarily apply to everyone. However, he thought that the process set forth in the grant application provided much of that information since an applicant would have to outline what solutions they are offering, how they plan to achieve them, and if they will be feasible.

Mr. Miller asked if there was consensus on the concept of funding special prosecutors. The members agreed. Mr. Johnson and Chairman Piazza agreed that this funding should most likely go through the task force operations, with exception of Cook County. Lt. Garza said that by function of the volume that bigger counties deal with, it can be a big advantage to pay for prosecution whereas you might not need it in the smaller counties.

Mr. Gall asked Mr. Killian if TCAT had a specific line item when they filled out a grant application that said how much money would be going to Will County for special prosecution. Mr. Killian said yes. Mr. Gall asked if that should be a requirement of a task force. Mr. Johnson said it should be up to the task force, but they agreed that their intention should be listed in the grant application.

Mr. Johnson asked about the section of the strategy on training and Illinois State Police's role. Mr. Lyddon said that they did trainings in the past and they purchased equipment, which has been sitting, however if they resumed training it would look different now that it did then. Mr. Johnson said that he remembered a 24-hour and 32-hour training program that was offered to law enforcement and insurance representatives as well. Mr. Killian said it was an introductory training for new officers that were assigned to the task forces. They would go to the Illinois State Police academy, take the 32-hour training program and it would give them the basics of what to look for and what they would be doing with the unit. Mr. Lyddon said that he considered this to be a similar model to the 40-hour drug class and then it is documented that you received training. Sgt. Geier said that he took the training and considered it to be basic. Mr. Johnson asked if it could be improved upon. Sgt. Geier said that auto theft had changed and the training was a little dated when he took it. Mr. Lyddon said that they could consider a lower hour training course for smaller agencies that don't have these trainings often. Lt. Garza said that the Secretary of State has done some of this training recently for smaller agencies. Mr. Miller asked how often the ISP trainings were offered. Mr. Lyddon said about 10 or 12 a year.

Mr. Miller commented on the Insurance Vehicle Expense Fund and noted that this money was used to refurbish vehicles that were donated by insurance companies for task force use. As long as vehicles were not going to be donated, there would not be a need for this fund.

Mr. Miller asked about the Motor Vehicle Theft Intelligence Clearinghouse, which was a grant to ISP, and if anyone could comment on what the grant was for. Mr. Lyddon said this was for 2 full time, Criminal Intelligence Analysts that were dedicated to only motor vehicle theft issues. Chairman Piazza asked if they were at Statewide Terrorism and Intelligence Center (STIC). Mr. Lyddon said that when funding went away briefly, they were funded through the General Revenue Fund, and then they were brought into the regular part of STIC.

Mr. Miller asked if Mr. Lyddon could explain what the Criminal Intelligence Analysts would have done specifically for motor vehicle theft issues. Mr. Lyddon said that when task forces had names of targets, or vehicles, they would do an intelligence package with a multitude of information for the task forces to push their investigation forward. Chairman Piazza said that if a police department has Accurint or LexisNexis they would have that capability as well. Mr. Lyddon said that ISP references about 30 databases, and beyond the intelligence package, they find links, assist the investigators, put together timelines and charts, run the phones, and can perform 30,000 connections for telephone link analysis, which most police departments don't have the capability to run. He said these visual aids can also help prosecution in the courtroom.

Mr. Lyddon said that the Criminal Intelligence Analysts also produced the quarterly reports for all of the task forces. Mr. Miller asked if this was because of the oversight that ISP had in each task force. Mr. Lyddon said it was primarily to relieve the task forces from having to pay someone for these administrative functions. Mr. Miller asked Mr. Killian if he could share his thoughts on the feasibility of having to perform this duty within the task force and he said they would be able to do it if they had to. He also said that STIC was helpful to TCAT in working their larger cases.

Mr. Miller referenced a proposed timeline in the member packets which showed the potential for grants to be awarded beginning Fiscal Year 2020 (July 1, 2019). Ms. Popish asked if 6-8 weeks for grant applicants was enough time for responses. Ms. Brticevich said that she believed there was enough time to have grants awarded by July 1, 2019. Chairman Piazza asked if the grants all had to be awarded on the same date. Ms. Brticevich said that when you accept grant proposals, the Grant Review Committee (GRC) will have to review and score all of them. Then you would have an opportunity for a verbal presentation to the GRC, involving further scoring. She continued that once a determination has been made by the Council to award, the process doesn't lend itself well to recreating it all over again a few months later. Ms. Williams concurred and said that if the awards are based upon fiscal year, it would be important to stick to that specific date for all of the grants. Ms. Popish said that it would also be complicated to try and evaluate performance of some grant recipients if others are appearing midway through the process. Ms. Brticevich reminded the Council that they would also have the power to revoke a grant if they decided, based upon the reporting process, that they were not accomplishing their goals.

Ms. Popish asked about the language of the grant application and who was responsible for it. Ms. Brticevich said that she would be assisting the Council in drafting the language. She said there would be two documents (1) the Request For Grant Purchase (RFGP) application, which would be submitted by the applicant with paperwork explaining details of their request and (2) the actual grant application which would be the contract for the grant. Ms. Brticevich said she would also help develop scoring criteria with the Council and suggested the administrative rules would probably offer guidance on some of these requirements. Ms. Popish said that we should add to the timeline an opportunity for members to review these applications before putting them out for use.

Mr. Miller asked the Council for specific language updates to the motor vehicle theft strategy program areas. The Council suggested adding “recyclable metal theft” under section A. Multi-Jurisdictional Task Forces, at the end of paragraph two. The Council suggested adding “tow companies” under section B. Special Investigative Activities, dot point 4. Mr. Williams suggested adding “identity theft” to the list under section B. Special Investigative Activities, unless the Council decided it was unnecessary. The Council decided that the list could be considered a guide, but did not need to be all inclusive, therefore did not add the extra item.

Chairman Piazza said that the changes would be made and asked the members to review the program areas of the strategy once again and offer any suggestions at the next meeting.

9. Equipment Disposition – Tri-County Auto Theft Task Force (TCAT)

Mr. Miller explained that Mr. Killian of Tri-County Auto Theft Task Force (TCAT) expressed interest in auctioning 4 vehicles, which had fallen into disrepair, and utilizing the funds for continued operations within the unit.

Ms. Popish asked Mr. Killian to explain the state of disrepair. Mr. Killian said that they acquired these vehicles from other task forces that shut down operations. TCAT used them until items broke and they were unable to repair them due to the lack of funding. They had other vehicles to use, and these specific vehicles have been sitting for three years.

Chairman Piazza asked if they are stored indoors and if so, how they fell into disrepair. Mr. Killian said they are indoors and when they needed brake work or other maintenance, they did not have funds to pay for it, so the vehicles sat while others were used. He indicated that they are going to lose their storage area and do not want to move these vehicles to other storage.

Chairman Piazza asked how many personnel are with TCAT currently. Mr. Killian said they are not a full-time auto theft unit, due to lack of funding, and the Sheriff of Police Chief decide the priority of personnel assigned to TCAT. He said that they have a policy board that is represented by Kankakee County, the City of Kankakee, Romeoville and Joliet who still have personnel assigned. He said they meet every 6 months to give updates on current activities, but due to the lack of funding, Mr. Killian cannot tell them they will be doing auto theft activities 100% of the time.

Ms. Popish asked if there are administrative rules that dictate how funds should be used in the case of a vehicle sale. Ms. Williams said that it would be considered Council property and returned to the Council. Ms. Brticevich agreed. Mr. Miller indicated that they were grant purchased vehicles that transferred from 3 closed task forces (NEMAT, SLATE, and NIATTF). Ms. Popish said that if there would be vehicle requests for future grant cycles, it would be worth looking at the condition of the vehicles first.

Chairman Piazza asked what expenses Mr. Killian would be paying with a potential vehicle sale. Mr. Killian said that he pays each department assigned to TCAT \$650/month to take care of their fuel and miscellaneous expenses to try and absorb some of their costs and he also is paid one day a week to go over financial records and represent TCAT at MVTPIV Council meetings.

Mr. Miller asked Mr. Killian if he could report on the other Council vehicles that were assigned to TCAT. Mr. Killian said that five individuals assigned to TCAT use them for auto theft, two in Kankakee County, one in the City of Kankakee, one in Romeoville and one in Joliet. Chairman Piazza asked if Mr. Killian drives a Council vehicle and he said he did not. Mr. Miller asked if TCAT could still use these vehicles if their funding has been lost and Ms. Williams said they could if they were still operating within the parameters of what they were granted the property for. Mr. Killian said that each department that is using these vehicles is paying for them to be insured as well. Mr. Miller asked if Mr. Killian could provide an updated list of their vehicle fleet with VIN's and odometer readings and Mr. Killian said he would.

Chairman Piazza made the motion to pick up the four vehicles in question (2012 Dodge Charger, 2011 Dodge Caravan, 2011 Buick Regal, 2010 Ford Fusion), take them to Secretary of State Police at Villa Park, inspect them and provide a report about the feasibility of repurposing them for future use to the Council at their next meeting. Sgt. Blair seconded the motion, adding that it was very hard to obtain vehicles for his department, the Council should consider being frugal with their fleet, and the Council should consider trust fund monies to be used for the potential repair of these vehicles. He also Hearing no objections, the motion passed.

10. Public Comments

Mr. Johnson asked if Mr. Miller could provide a schedule of meeting dates for 2019, with alternate dates, to the Council. Mr. Miller agreed.

11. Wrap up, set new date

A meeting was set for December 12, 2018, from 2:00 p.m. – 4:00 p.m., in Chicago at the JRTC, room 16-503.

12. Adjournment

The meeting adjourned at 11:50 a.m.