

# HOUSE BILL No. 1130

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 27-1-37.

**Synopsis:** Motor vehicle theft prevention authority. Establishes the motor vehicle theft prevention authority. Assesses a fee on insurers writing motor vehicle insurance in Indiana to be used by the motor vehicle theft prevention authority to assist in reducing the incidence of motor vehicle theft.

**Effective:** July 1, 1998.

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January 8, 1998, read first time and referred to Committee on Ways and Means.

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Introduced

Second Regular Session 110th General Assembly (1998)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1997 General Assembly.

## HOUSE BILL No. 1130

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A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 27-1-37 IS ADDED TO THE INDIANA CODE AS  
2 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
3 1998]:

4 **Chapter 37. Motor Vehicle Theft Prevention Authority**

5 **Sec. 1. As used in this chapter, "authority" refers to the motor**  
6 **vehicle theft prevention authority established by section 5 of this**  
7 **chapter.**

8 **Sec. 2. As used in this chapter, "board" refers to the authority**  
9 **board of directors appointed under section 6 of this chapter.**

10 **Sec. 3. As used in this chapter, "earned car years of insurance"**  
11 **means the number of motor vehicles insured by policies written in**  
12 **Indiana by an insurer for the preceding calendar year.**

13 **Sec. 4. As used in this chapter, "economic motor vehicle theft"**  
14 **means theft motivated by financial gain.**

15 **Sec. 5. (a) There is established a public body corporate and politic**  
16 **to be known as the motor vehicle theft prevention authority.**

17 **(b) The purposes, powers, and duties of the authority are vested**

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1 in and exercised by a board of directors.

2 **Sec. 6. (a) The board of directors of the authority consists of**  
3 **seven (7) members appointed by the governor as follows:**

4 **(1) Two (2) representatives of purchasers of motor vehicle**  
5 **insurance in Indiana.**

6 **(2) Two (2) representatives of motor vehicle insurers doing**  
7 **business in Indiana.**

8 **(3) Two (2) representatives of law enforcement officials in**  
9 **Indiana.**

10 **(4) The superintendent of the state police department or the**  
11 **superintendent's designee.**

12 **(b) The governor shall designate one (1) member to serve as the**  
13 **chairperson of the board.**

14 **Sec. 7. (a) Each member of the board serves for a term of four (4)**  
15 **years.**

16 **(b) Each member of the board who is not a state employee is**  
17 **entitled to the minimum salary per diem provided by**  
18 **IC 4-10-11-2.1(b). The member is also entitled to reimbursement for**  
19 **traveling expenses and other expenses actually incurred in**  
20 **connection with the member's duties, as provided in the state travel**  
21 **policies and procedures established by the department of**  
22 **administration and approved by the budget agency.**

23 **(c) Each member of the board who is a state employee is entitled**  
24 **to reimbursement for traveling expenses and other expenses actually**  
25 **incurred in connection with the member's duties, as provided in the**  
26 **state travel policies and procedures established by the department**  
27 **of administration and approved by the budget agency.**

28 **Sec. 8. (a) A majority of the members of the board constitute a**  
29 **quorum for the transaction of business at a meeting or for the**  
30 **exercise of a power or function of the authority, notwithstanding the**  
31 **existence of one (1) or more vacancies.**

32 **(b) Notwithstanding any other law, action may be taken by the**  
33 **board at a meeting upon a vote of the majority of its members**  
34 **present in person or through the use of amplified telephonic**  
35 **equipment, if authorized by the bylaws of the board.**

36 **(c) The board shall meet at the call of the chairperson or as**  
37 **provided in the bylaws of the authority. Meetings of the board may**  
38 **be held anywhere within Indiana.**

39 **Sec. 9. The authority exists within the state police department and**  
40 **shall exercise the authority's prescribed statutory powers, duties,**  
41 **and functions independently of the state police board. The budgeting,**  
42 **procurement, and related functions of the authority, and**



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1 administrative responsibilities for employees of the authority, shall  
 2 be performed under the direction and supervision of the  
 3 superintendent of the state police department.

4 **Sec. 10.** The authority has the powers necessary or convenient to  
 5 carry out and effectuate the purposes of this chapter and the  
 6 purposes of the authority and the powers delegated by other laws,  
 7 including, but not limited to, the power to do the following:

8 (1) Sue and be sued.

9 (2) Have a seal and alter the seal at pleasure.

10 (3) Have perpetual succession.

11 (4) Make, execute, and deliver contracts, conveyances, and  
 12 other instruments necessary or convenient to the exercise of the  
 13 authority's powers.

14 (5) Make and amend bylaws.

15 (6) Solicit and accept gifts, grants, loans, funds collected and  
 16 placed in the automobile theft prevention fund, and other aids  
 17 from any person or the federal, state, or a local government or  
 18 any agency thereof.

19 (7) Make grants and investments.

20 (8) Procure insurance against any loss in connection with its  
 21 property, assets, or activities.

22 (9) Invest any money held in reserve or sinking funds, or any  
 23 money not required for immediate use or disbursement, at the  
 24 authority's discretion, and to name and use depositories for its  
 25 money.

26 (10) Contract for goods and services and engage personnel as  
 27 necessary, including the services of private consultants,  
 28 managers, counsel, auditors, and others for rendering  
 29 professional, management, and technical assistance and advice,  
 30 payable out of any money of the fund legally available for this  
 31 purpose.

32 (11) Indemnify and procure insurance indemnifying any  
 33 members of the board from personal loss or accountability  
 34 from liability resulting from a member's action or inaction as  
 35 a member of the board.

36 (12) Do all other things necessary or convenient to achieve the  
 37 objective and purposes of the authority, this chapter, or other  
 38 laws.

39 **Sec. 11. (a)** Before April 1 of each year, each insurer engaged in  
 40 writing insurance coverages that provide the minimum standards for  
 41 financial responsibility required by IC 9-25-4, as a condition of its  
 42 authority to transact insurance business in Indiana, shall pay to the



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1 authority an assessment equal to one dollar (\$1) multiplied by the  
 2 insurer's total earned car years of insurance providing the minimum  
 3 standards for financial responsibility required by IC 9-25-4 in  
 4 Indiana during the preceding calendar year.

5 (b) Money received under subsection (a), and all other money  
 6 received by the authority, shall be segregated and placed in the  
 7 automobile theft prevention fund established by subsection (c).

8 (c) The automobile theft prevention fund is established to carry  
 9 out the purposes of this chapter. The fund shall be administered by  
 10 the authority. The expenses of administering the fund shall be paid  
 11 from money in the fund. Money in the fund at the end of a calendar  
 12 year does not revert to the state general fund.

13 **Sec. 12. (a) Money in the automobile theft prevention fund shall**  
 14 **be spent in the following order of priority:**

- 15 (1) To pay the costs of administration of the authority.  
 16 (2) To achieve the purposes and objectives of this chapter,  
 17 including the following:

18 (A) Providing financial support to the state police  
 19 department and local law enforcement agencies for  
 20 economic motor vehicle theft enforcement teams.

21 (B) Providing financial support to state or local law  
 22 enforcement agencies for programs designed to reduce the  
 23 incidence of economic motor vehicle theft.

24 (C) Providing financial support to prosecuting attorneys for  
 25 programs designed to reduce the incidence of economic  
 26 motor vehicle theft.

27 (D) Providing financial support to judicial agencies for  
 28 programs designed to reduce the incidence of economic  
 29 motor vehicle theft.

30 (E) Providing financial support for neighborhood or  
 31 community organizations or business organizations for  
 32 programs designed to reduce the incidence of motor vehicle  
 33 theft.

34 (F) Conducting educational programs designed to inform  
 35 motor vehicle owners of methods of preventing motor  
 36 vehicle theft and to provide equipment, for experimental  
 37 purposes, to enable motor vehicle owners to prevent motor  
 38 vehicle theft.

39 (b) Money in the motor vehicle theft prevention fund may only be  
 40 used for motor vehicle theft prevention efforts and must be  
 41 distributed based on need and efficacy as determined by the  
 42 authority.



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1           **Sec. 13. (a) The authority shall develop and implement a plan of**  
2 **operation.**

3           **(b) The plan of operation must include an assessment of the scope**  
4 **of the problem of motor vehicle theft, including:**

5               **(1) the identification of particular areas of the state where the**  
6 **problem is greatest;**

7               **(2) an analysis of various methods of combating the problem of**  
8 **motor vehicle theft and economic motor vehicle theft;**

9               **(3) a plan for providing financial support to combat motor**  
10 **vehicle theft and economic motor vehicle theft; and**

11               **(4) an estimate of the funds required to implement the plan.**

12           **(c) The authority shall report annually not later than February**  
13 **1 to the governor and the general assembly on its activities in the**  
14 **preceding year.**

15           **Sec. 14. (a) Not later than July 1 of every odd numbered year, the**  
16 **motor vehicle theft prevention authority shall prepare a report that:**

17               **(1) details thefts of motor vehicles occurring in Indiana for the**  
18 **previous two (2) years;**

19               **(2) assesses the effect of the thefts on rates charged for motor**  
20 **vehicle insurance;**

21               **(3) summarizes prevention programs; and**

22               **(4) outlines allocations made by the authority.**

23           **(b) The superintendent of the state police department, insurers,**  
24 **the office of state court administration, and the commissioner of**  
25 **insurance shall cooperate in the development of the report as**  
26 **requested by the motor vehicle theft prevention authority and shall**  
27 **make available records and statistics concerning motor vehicle**  
28 **thefts, including the number of motor vehicle thefts, numbers of**  
29 **prosecutions and convictions involving motor vehicle thefts, and**  
30 **motor vehicle theft recidivism.**

31           **(c) The motor vehicle theft prevention authority shall evaluate the**  
32 **impact motor vehicle theft has on the citizens of Indiana and the**  
33 **costs incurred by the citizens through insurance, police enforcement,**  
34 **prosecution, and incarceration due to motor vehicle thefts.**

35           **(d) The report required by this section must be submitted to the**  
36 **senate and house of representatives standing committees on**  
37 **insurance issues and to the commissioner of insurance.**

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