

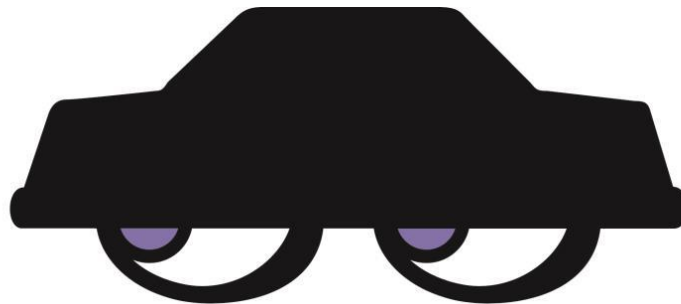


Texas Department *of* Motor Vehicles

Plan of Operation for the Automobile Burglary & Theft Prevention Authority

Prepared for the
Texas Legislature
for
Fiscal Years 2018-2019

December 1, 2016



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TEXAS AUTO BURGLARY & THEFT PREVENTION AUTHORITY



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Law Enforcement Representative
Galveston, Texas

Ex Officio Member
Steven C. McCraw
Major Wynn Reynolds—Designee
Texas Department of Public Safety
Austin, Texas

Bryan E. Wilson
Director

December 1, 2016

The Honorable Dan Patrick
Lieutenant Governor
Capitol Station
PO Box 12068
Austin, Texas 78711

Lieutenant Governor Patrick,

I am pleased to submit the 2018-2019 Plan of Operation for fiscal years for the Automobile Burglary and Theft Prevention Authority (ABTPA), which is required by the Texas Revised Civil Statutes, Article 4413 (37), §7. The Authority submits this biennial operations plan to the Legislature by December 1 of each even-numbered year to provide an assessment and analysis of motor vehicle burglary and theft, as well as the Authority's plan for providing financial support to combat motor vehicle burglary and theft, and an estimate of the funds that are required to implement this plan of operation.

The grant funding provided by the State of Texas through ABTPA to support local efforts to reduce and combat these crimes is generated from a \$2 fee on motor vehicle insurance policies issued. Local jurisdictions have closely matched the funding efforts of the State with cash and in-kind contributions necessary to operate all of the highly specialized law enforcement programs that are funded by the ABTPA. Despite the combined efforts of state and local stakeholders, Texas still faces nearly \$1 Billion in losses due to automobile burglary and theft each year.

The current Texas Department of Motor Vehicles FY2018-2019 Legislative Appropriation Request, Exceptional Item number 4 requests restoration of the 4% reduction in appropriated funds directed by state leadership. Exceptional Item number 5 requests an additional \$12.65 million per year for adding sufficient staff and technology to significantly reduce motor vehicle burglary and theft and the corresponding losses. The attached operation plan outlines the activities and methods that will be employed by the ABTPA. Even though the ABTPA activities are funded by a specific fee assessment on automobile insurance policies less than one third of the revenue received is dedicated for its stated purpose.

Members of the Authority and its director, Bryan Wilson, are ready to serve as a resource for the Legislature and to answer any questions that arise. Please contact us at [512-465-4012]. I want to thank you for your review and consideration of this FY2018-2019 Plan of Operation.

Respectfully,

Chief Carlos L. Garcia
Presiding Officer
Automobile Burglary and Theft Prevention Authority



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December 1, 2016

The Honorable Joe Straus
Speaker of the House
Room 2W.13, Capitol
PO Box 2910
Austin, Texas 78768

Speaker Straus,

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La Marque**

**Mr. Armin Mizani
Consumer Representative
Keller**

**Mr. Tommy Hansen
Law Enforcement Representative
Hitchcock**

**Mr. Steven C. McCraw
c/o Major Wynn Reynolds
Ex-Officio, DPS, Austin**

ABTPA Director

Bryan Wilson
512-465-4012

Bryan.Wilson@txdmv.gov

Plan of Operation for the Automobile Burglary Theft and Prevention Authority

December 1, 2016

Prepared for the Texas Legislature for Fiscal Years 2018-2019

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Executive Summary

The Automobile Burglary and Theft Prevention Authority (ABTPA) effectively funds community-based law enforcement agencies to combat and reduce motor vehicle burglary and theft. For more than two decades, ABTPA has promoted collaboration, training, technology and effective law enforcement strategies to reduce motor vehicle theft and more recently burglary from a motor vehicle. The 2016-2017 biennium appropriation remained static at \$14.9 million per year while the revenues collected from the \$2 Motor Vehicle Theft fee on motor vehicle insurance policies continued to increase to \$46 million in FY16. ABTPA funded law enforcement taskforces increased the recovery rate of stolen motor vehicles, the clearance rate of motor vehicle crime cases, and the number of persons arrested for committing motor vehicle crimes. The state population has greatly increased while the number of motor vehicle burglary and thefts have declined.

ABTPA pursues the state's interest in reducing motor vehicle burglary and theft. It does this by helping local communities develop and maintain trained and specialized motor vehicle burglary and theft taskforces. These taskforces are often multijurisdictional and coordinate responses to mobile and multifaceted motor vehicle crimes throughout a region. Motor vehicle crimes are often tied to organized crime and patterns of crime that require taskforces to more proactively communicate across jurisdictional boundaries. There are economic enterprises sustaining illegal behavior in and causing harmful losses to Texas communities. The provision of state resources through the ABTPA ensures effective law enforcement training and coordination against highly varied perpetrators committing an array of criminal enterprises across multiple jurisdictions.

ABTPA is led by a governor appointed board and the Director of the Texas Department of Public Safety. The program is administratively attached to Texas Department of Motor Vehicles (**TxDMV**) and staffed as a division of TxDMV. ABTPA, in concert with TxDMV, continues to be fiscally responsible by keeping administrative costs lower than the maximum provided in statute. This Plan of Operation is submitted by TxDMV on behalf of the ABTPA.

State law requires the ABTPA to submit to the Legislature by December 1 of each even-numbered year, a biennial operations plan that must include:

- (1) an assessment of the scope of the problems of automobile burglary or theft and economic automobile theft, including particular areas of the state where the problems are greatest;
- (2) an analysis of various methods of combating the problems of automobile burglary or theft and economic automobile theft;
- (3) a plan for providing financial support to combat automobile burglary or theft and economic automobile theft; and
- (4) an estimate of the funds required to implement the plan of operation.

This FY 2018-2019 Plan of Operation provides a view of the status of the statewide effort in reducing motor vehicle burglary and theft. The plan also outlines as required in statute the resources that are required in the future to reduce these crimes.

Assessment of the Scope of the Problem

Texans suffer losses of almost one billion dollars each year due to motor vehicle burglary and theft. The losses from these two crimes constitute almost one half of losses from all property crimes. Additionally, victims suffer an array of losses well beyond economic, such as lost time, lost business, lost wages and overall diminishment of community well-being.

Number Reported and Associated Losses from Vehicle Burglary & Theft, CY 2015

Type of Crime	Number	Value of Loss	Average Loss
Burglary from a Motor Vehicle and Theft of Parts	193,949	\$196,903,619	\$1,096
Motor Vehicle Theft	67,081	\$740,819,760	\$11,044
CY 2015 Est. Total Loss		\$937,723,379	

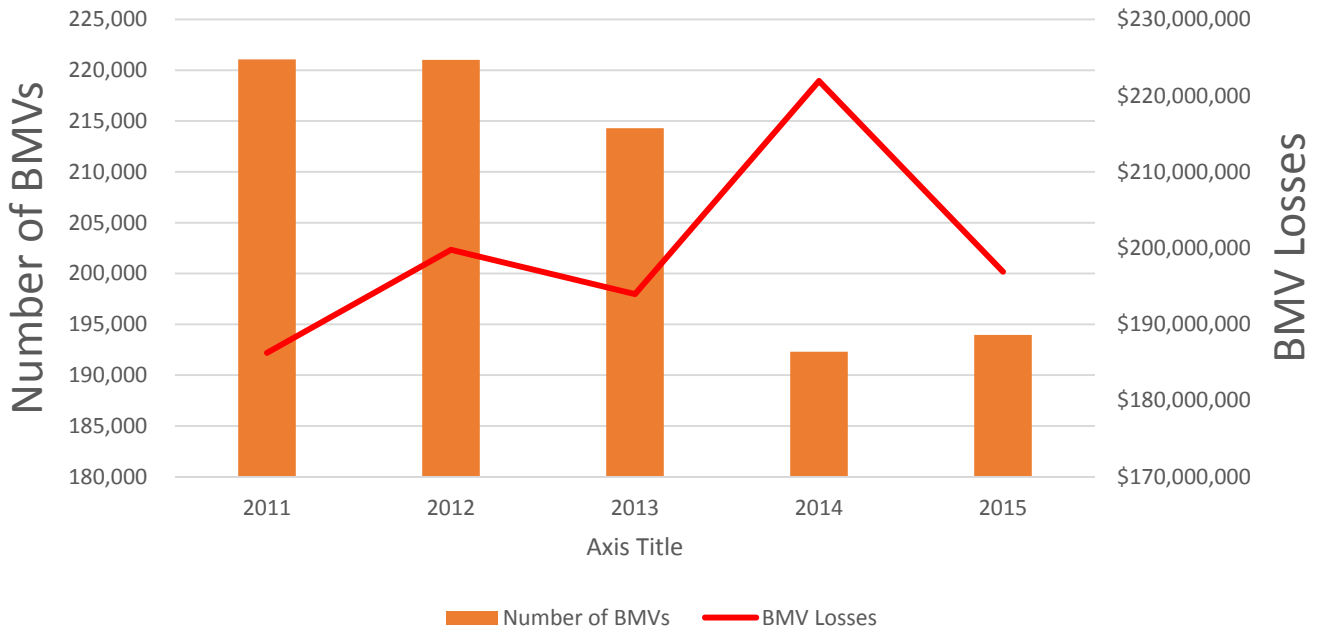
Source: The Crime in Texas Report for 2015, Texas Department of Public Safety, CY= calendar year

Currently, law enforcement agencies only report to the Texas Department of Public Safety (DPS) a crime as motor vehicle burglary or theft if those were the highest level of crime committed at the time of arrest because the reporting system is a single incident reporting system that uses a “hierarchical rule.” This means that if a perpetrator burglarizes or steals a vehicle and then commits a more serious crime during the same incident, law enforcement agencies would report only the more serious crime to DPS. Therefore, actual numbers of motor vehicle burglaries and thefts and associated losses are higher than reported. The DPS reports that in 2019 the system will convert reporting to the National Incident Based Reporting System (NIBRS). NIBRS reporting system lists the most serious offense and all associated offenses within the reported incident. Many states have already converted to the NIBRS system and are able to see connections between motor vehicle burglary and theft and other crimes. States that use NIBRS are better able to accurately determine the intersection of other crime with the rates of motor vehicle burglary and theft.

Motor Vehicle Burglary

Texas uniform crime reports collected from law enforcement agencies and reported by the DPS in CY 2015 show that incidents of burglary of a motor vehicle (BMV) are up slightly to 193,949 from 192,294 in CY 2014. Fortunately, the losses associated with these crimes were \$25 million less than the amount Texans lost in CY 2014. Several large counties saw significant increases in loss even while the overall total losses in the state dropped. For example, Harris County saw a loss increase of more than \$5 million and Dallas County losses were increased more than \$1 million. Burglary of a motor vehicle for purposes of this report comprises the Uniform Crime Report (UCR) categories of larceny from a motor vehicle and larceny of motor vehicle parts.

Burglary of a Motor Vehicle (BMV) and Losses 5 year Trend CY 2011 to 2015



Source: Texas Department of Public Safety Uniform Crime Report Data

Burglary of a motor vehicle can happen anywhere in the state but is largely correlated with heavily populated areas. The five counties with the largest populations (Harris, Dallas, Bexar, Tarrant, and Travis counties) represent less than one-half of the state population and have about two-thirds of reported BMV in Texas. These counties have consistently remained high in the number of BMVs for the last several years. The twenty counties with the largest populations make up 85 percent of all BMVs and BMV losses.

While the five largest population counties consistently have the highest BMV incidents, the next 15 highest population counties have fluctuated significantly over the last three years. ABTPA continues to collect more data and monitor the evidence, but current data along with local reports suggest that episodes of organized crime and pattern crime events may be causing this trend. Offenders often commit organized crime when they combine efforts to conspire to commit burglary of a motor vehicle (and motor vehicle theft). A crime pattern is a group of two or more crimes reported to or discovered by police that are unique because they meet conditions such as similar characteristics, lack of connection between victim and offenders, and are distinct from other crime around the same time. Organized criminal enterprises have stolen dozens of tires and rims from large car dealers in multiple locations across Texas. Burglary of motor vehicles could be reduced if state resources were expanded, dedicated and targeted to these types of crime events.

CY 2014 – 2015 Comparison: Top Twenty Counties by Burglary From Motor Vehicle (including Parts)

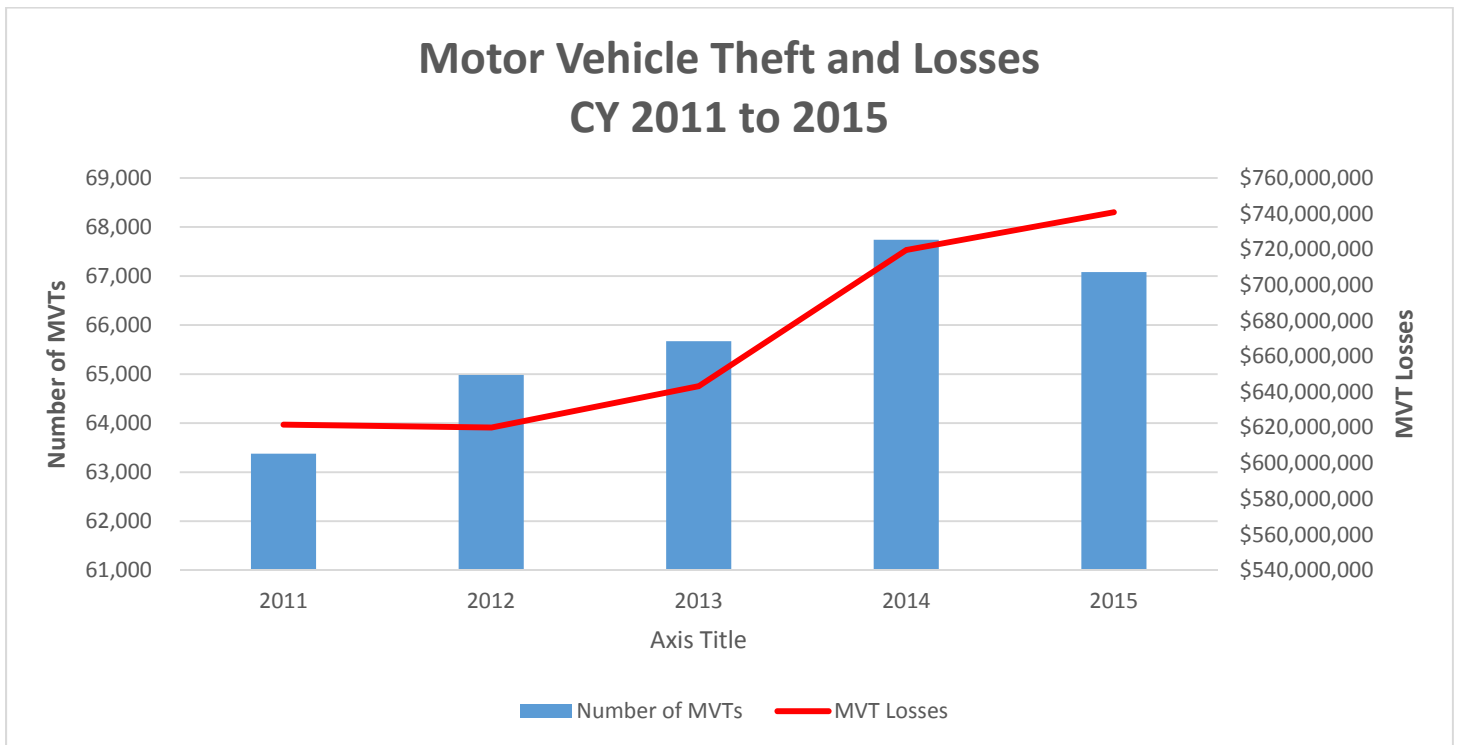
County	CY 2014 BMV	County	CY 2015 BMV
Harris	49,947	Harris	50,471
Dallas	26,202	Dallas	26,799
Bexar	23,106	Bexar	22,656
Tarrant	15,644	Tarrant	15,861
Travis	12,061	Travis	11,467
Hidalgo	5,848	Hidalgo	4,767
Nueces	4,584	Lubbock	3,831
Collin	3,196	Nueces	3,577
Lubbock	2,817	Collin	3,324
Cameron	2,758	Cameron	2,688
El Paso	2,538	Bell	2,586
Potter	2,491	Potter	2,491
Webb	2,345	Fort Bend	2,359
Fort Bend	2,231	Montgomery	2,302
Denton	1,934	El Paso	2,213
Jefferson	1,756	Denton	2,096
Galveston	1,753	Webb	1,876
Montgomery	1,630	Galveston	1,804
Williamson	1,318	Jefferson	1,657
McLennan	1,248	Brazos	1,532

CY 2014 – 2015 Comparison: Top Twenty Counties by Burglary From Motor Vehicle Losses (including Parts)

County	CY 2014 Total BMV Losses	County	CY 2015 Total BMV Losses
Harris	\$60,041,778	Harris	\$65,167,949
Lubbock	\$31,659,274	Dallas	\$29,156,182
Dallas	\$27,685,767	Bexar	\$24,427,649
Bexar	\$24,388,463	Tarrant	\$14,415,164
Tarrant	\$13,735,350	Travis	\$8,879,054
Travis	\$10,570,312	Nueces	\$3,293,206
Hidalgo	\$7,592,134	Lubbock	\$3,235,350
Nueces	\$4,157,249	Fort Bend	\$2,976,641
Collin	\$3,217,570	Hidalgo	\$2,868,561
Fort Bend	\$2,343,019	Collin	\$2,796,244
Potter	\$2,150,959	Montgomery	\$2,383,695
El Paso	\$1,962,082	Denton	\$2,002,942
Montgomery	\$1,705,847	Bell	\$1,899,478
Denton	\$1,593,684	Potter	\$1,870,991
Cameron	\$1,574,408	El Paso	\$1,746,063
Webb	\$1,514,858	Midland	\$1,632,311
Midland	\$1,254,310	Webb	\$1,532,852
Jefferson	\$1,238,588	Cameron	\$1,523,933
Williamson	\$1,165,211	Galveston	\$1,258,920
Galveston	\$1,082,473	Brazoria	\$1,162,765

Motor Vehicle Theft

According to the Texas Department of Public Safety *“Crime in Texas”*, Chapter 3 Index Crimes, *“Motor Vehicle Theft, for UCR purposes, is the theft or attempted theft of a motor vehicle. A motor vehicle is defined as a self-propelled vehicle that travels on the surface but not on rails. Specifically excluded from this category are motor boats, construction equipment, airplanes, and farming equipment.”* Motor vehicle theft (MVT) is tracked at the national and state level as a major index crime. As mentioned earlier, the reported incidents reflected in the UCR are limited to those where the motor vehicle theft was the most serious crime reported by law enforcement agencies in a single event at time of arrest. In instances where a motor vehicle theft is committed along with a more serious crime (e.g., murder, kidnapping, human trafficking, or other higher classification crime) simultaneously, the motor vehicle theft would not be reported in UCR.



Source: Texas Department of Public Safety Uniform Crime Report Data

Texas saw a slight reduction of incidents of motor vehicle theft in CY 2015, down less than seven hundred reports or about one percent. Conversely, the losses associated with these reported thefts increased by more than \$21 million or about three percent. Despite the decrease in reported incidents in CY 2015, Texas still experienced an overall increase of reported incidents over the last five years. The top twenty counties by population largely mirror the top twenty counties by incidents of motor vehicle theft and amount of losses. County population is typically an indicator of theft, more populous counties have greater incidences of theft when compared to less populous counties.

CY 2014 - 2015 Comparison: Top Twenty Counties by Motor Vehicle Theft				CY 2014 - 2015 Comparison: Top Twenty Counties by Motor Vehicle Theft Losses			
County	CY 2014 MVT	County	CY 2015 MVT	County	CY 2014 MVT Loss Amount	County	CY 2015 MVT Loss Amount
Harris	22,540	Harris	21,796	Harris	\$213,380,139	Harris	\$248,815,501
Dallas	11,247	Dallas	11,954	Bexar	\$144,420,216	Dallas	\$122,338,351
Bexar	7,876	Bexar	6,861	Dallas	\$108,816,507	Bexar	\$94,559,718
Tarrant	4,158	Tarrant	4,086	Tarrant	\$39,320,545	Tarrant	\$43,831,619
Travis	2,534	Travis	2,614	Travis	\$18,757,699	Travis	\$20,858,312
Hidalgo	1,278	Hidalgo	1,112	Ector	\$13,053,229	Ector	\$13,667,639
El Paso	961	Lubbock	1,029	El Paso	\$12,271,903	Hidalgo	\$13,369,234
Potter	852	El Paso	947	Hidalgo	\$11,795,108	El Paso	\$12,640,943
Lubbock	841	Ector	798	Nueces	\$7,693,922	Lubbock	\$10,132,733
Ector	736	Potter	793	Collin	\$7,329,066	Montgomery	\$9,251,933
Montgomery	657	Montgomery	792	Denton	\$6,594,158	Collin	\$7,695,336
Collin	630	Denton	594	Potter	\$6,578,476	Nueces	\$7,571,155
Denton	630	Collin	579	Fort Bend	\$6,134,938	Denton	\$7,193,916
Nueces	608	Galveston	572	Lubbock	\$6,073,556	Fort Bend	\$6,375,751
Galveston	604	Nueces	565	Galveston	\$5,698,571	Galveston	\$6,174,843
Fort Bend	498	Fort Bend	507	Montgomery	\$5,509,123	Potter	\$5,792,170
Jefferson	477	Jefferson	465	Midland	\$5,179,159	Midland	\$5,702,132
Bell	441	Bell	464	Gregg	\$4,971,200	Brazoria	\$4,987,072
Taylor	376	Smith	454	Jefferson	\$4,285,964	Jefferson	\$4,859,742
Gregg	365	Gregg	420	Bell	\$3,934,021	Bell	\$4,382,638

Reported Trends, Issues, and Concerns

The ABTPA taskforces are required to provide yearend reports that identify major issues and obstacles in combating motor vehicle burglary and theft for their communities. The taskforces provided information that gave a view of the issues and obstacles that they encountered in 2016 that is provide below.

Most significant trends reported by taskforces regarding BMV:

- about two-thirds indicated increases in victim assisted crime (door unlocked);
- more than half indicated increases in organized and pattern crime;
- about one quarter saw an increase in firearms being stolen out of motor vehicle.

Most significant trends regarding MVT reported by taskforces:

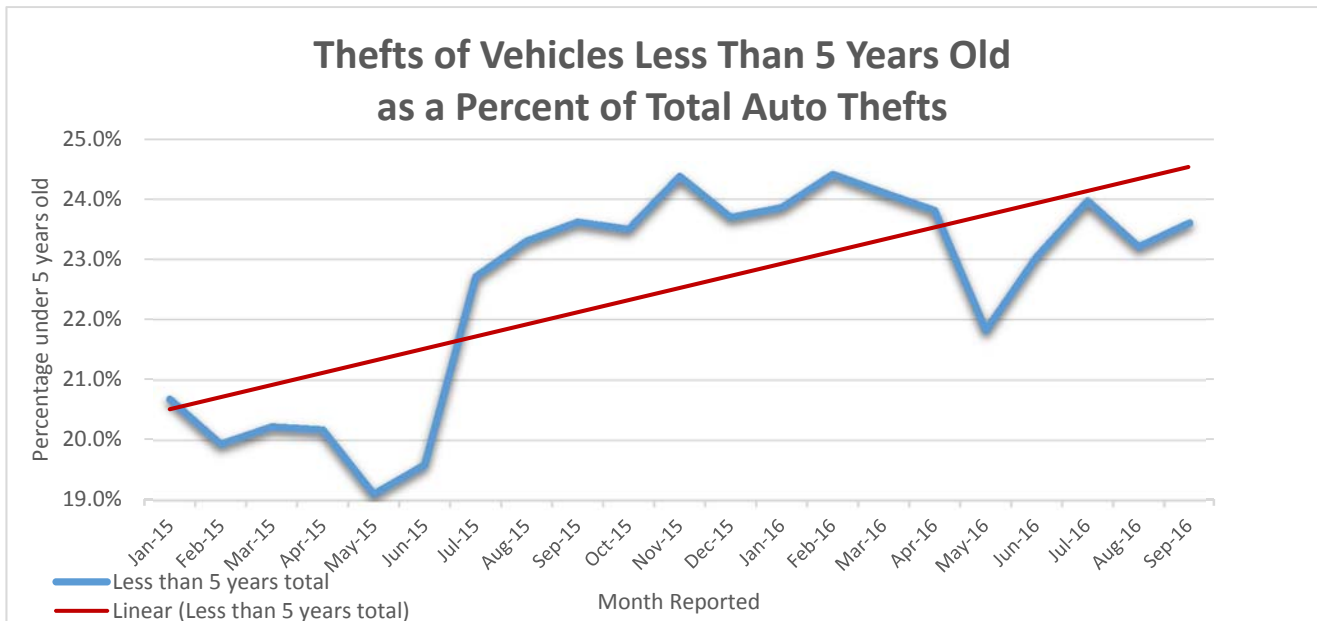
- more than two thirds saw an increase in organized and pattern crime;
- two-thirds indicated major issues with victim assisted crimes (keys left in or near car).

Most significant influences or causes of motor vehicle burglary and theft reported by taskforces:

- more than three fourths indicated victim assistance was a major influence on stolen and burglarized vehicles;
- three fourths said their cases demonstrate clear ties to economic motivations;
- half reported organized crime and pattern crime;
- half reported influences from drug related activity;
- violent crime and human trafficking were also identified by many as a major influence in the commission of the offense.

Yearend reports also included additional significant issues and trends in motor vehicle burglary and theft that were reported by taskforces:

- an increase in stolen motor vehicles being sold on internet websites and applications;
- increases in rental car agencies being targeted by auto theft rings using fraudulent credit cards to victimize businesses;
- taskforces continue to report high numbers of vehicles left running while the operator leaves the scene;
- vehicles stolen from car dealerships and auto auctions through obtaining access to the key or key fob;
- sophisticated and coordinated attacks on car dealers by removing dozens of tires and rims or parts;
- an increase in the number and percent of new cars stolen as a percent of the total.



Source DPS Monthly Auto Theft Reports

Note: This graph illustrates that the theft of vehicles that are less than 5 years old increasing over the last 20 months.

Analysis Methods of Combating the Problem

Law Enforcement Methods

The greatest tool the ABTPA has to combat motor vehicle burglary and theft is funding highly trained investigators performing specialized investigative tactics to augment local law enforcement agencies. Local law enforcement agencies rarely have specialized motor vehicle crime experts without ABTPA funding. The grant funded programs are organized into what are referred to as Motor Vehicle Burglary and Theft Taskforces or taskforces. Ten taskforces are single jurisdiction and 14 are multijurisdictional. The taskforces may be co-occurring with other units or separate dedicated units within the law enforcement agency or member agencies. More than 85% of ABTPA grant program expenses are personnel costs reflected as Full Time Equivalents (FTEs). All of the taskforces use various combinations of the following eight methods to combat motor vehicle theft and burglary:

- 1) **Investigate** – The officers funded under ABTPA generally operate in specialized units that require both proactive and reactive tactical motor vehicle burglary and theft crimes investigative skills. The officers examine reports, review intelligence, develop leads and witnesses, identify offenders, identify and track criminal organizations, and develop sources of information from victims, informants and community members.
- 2) **Identify Vehicles**– Motor vehicle burglary and theft investigators receive specialized training to identify vehicles and parts of vehicles. Certain title transactions require these specially trained officers to certify the proper vehicle identification number prior to completion. This skill is critical to not only establishing the elements of motor vehicle crime for prosecution purposes but also in recovering vehicles and clearing cases. The specialized skill in vehicle identification is often used to assist other departments and agencies in critical moments. For example, in June 2015 when an attacker opened fire on and planted bombs at the Dallas Police Department (PD) headquarters, the Dallas PD taskforce, the group of auto theft investigators referred to as the “Junkyard Dogs”, were critical in quickly identifying the origin and ownership of the armored van used in the attack thereby helping investigators resolve the perpetrator’s connections and likelihood of co-conspirators. The specialized training and skill set promoted by ABTPA allow taskforce officers the means to identify most manufactured vehicles and trailers.
- 3) **Collaborate Across Jurisdictions**– ABTPA taskforces collaborate across local, state and federal departments and jurisdictions to identify criminal enterprises. Recently, one major case in Tarrant County dealing with stolen motorcycles and parts ended up with the arrest of several individuals. This group had stolen dozens of motorcycles and a large number of motorcycle parts. The taskforce worked with numerous state and federal law enforcement agencies and another taskforce to finalize the case. Additionally, taskforces are seeing motor vehicle burglary and theft cases with highly organized criminal networks using illegal methods to convert the vehicles into economic value through title fraud, insurance fraud, or exportation. The ABTPA funded taskforces are working across all levels of government and across all boundaries to be effective in reducing motor vehicle burglary and theft.
- 4) **Motor Vehicle Business Support** – Taskforces conduct inspections of salvage yards, recycling centers, rebuilders and other motor vehicle related businesses. When stolen vehicles and parts are identified the taskforces work with local businesses to identify and interrupt the criminal network that brought the stolen items into the system. Taskforces also work to shut down illegal operations that render stolen motor vehicles and parts, which are often referred to as “chop shops”. These illegal operations undermine legitimate businesses throughout the state.
- 5) **Border Coordination** – Many ABTPA taskforces coordinate efforts along the border and south Texas to interdict criminal networks moving stolen vehicles to and across the border. The border monthly team meetings and discussion coordinated by ABTPA and advanced by DPS, have increased the communication between jurisdictions where vehicles are stolen and the likely border crossings. Not all stolen vehicles are taken to Mexico. The coordination promoted by ABTPA taskforces has helped agencies think more regionally to solve motor vehicle theft.
- 6) **Technology** –Taskforce officers have developed sophisticated techniques to identify and arrest offenders who burglarize and steal motor vehicles. The taskforces use bait cars and trailers, license plate readers, surveillance equipment, and tracking equipment when authorized by courts. This technology and the expertise needed to successfully utilize it is critical to ABTPA funded taskforces to meet the statutory measures of increased recoveries of stolen vehicles, increased clearance of cases, and increased arrests.

- 7) **Identify Prolific Offenders** – The taskforces work diligently to identify prolific offenders. Many motor vehicle burglary and theft cases are committed by the same individuals or groups. In addition to many locally developed resources, ABTPA maintains a contract with the Texas Department of Criminal Justice – Office of Inspector General to make several programs available to taskforces and other law enforcement agencies. Those programs include a law enforcement confidential system called FUGINET (a database of inmate and parolee information), motor vehicle burglary and theft convicted parolee roundups, special coordinated access to incarcerated persons, and intelligence gathering specially crafted for motor vehicle burglary and theft.
- 8) **Communicate** – Taskforces spend a great deal of effort in communicating with each other, other law enforcement agencies, vehicle manufacturers, and their communities. They work with their command structures and regional DPS Crime Information Centers on receiving and providing intelligence. The taskforces issue “Be on the lookouts” (BOLOs) through the DPS intelligence centers and direct communication. The taskforces use all communication means necessary to clear cases, arrest offenders and recover vehicles and property.

Public Education and Awareness

According to a National Insurance Crime Bureau (NICB) October 2016 report, Texas had the second most vehicle thefts with keys in the nation, which is often referred to as “victim assisted” theft. To reduce simple mistakes like this, taskforces spend a great deal of time and effort conducting prevention and public awareness programs. They communicate with citizen and neighborhood groups and home owners associations, make appearances and presentations at stock shows, county fairs, civic organizations, and racing events, and provide public service announcements and billboards all in an effort to harden citizen targets against motor vehicle crimes through increased education and awareness. The ABTPA provides statewide coordination for brochures, reminder items and other printed material.

Performance Measures

Taskforces report their grant-funded activities monthly to ABTPA and also submit yearend reports that identify significant issues, patterns and trends they encounter. The ABTPA has statutory performance measures established in Texas Revised Civil Statutes Article 4413 (37) § 6(j). Programs funded by ABTPA are required to track whether programs have increased recovery of stolen vehicles, cleared cases, and persons arrested. The table below shows how the taskforces improved their statutory performance measures in FY 2016:

Summary of Statewide FY 15/16 Statutory Requirements Reported by Grant Recipients

Motor Vehicle Theft Performance Measures			
Activity	FY 2015	FY 2016	Percentage Increase
Recovered Stolen Vehicles	8,573	10,155	18.45%
Cleared Motor Vehicle Theft Cases	9,727	16,712	71.81%
Persons Arrested Motor Vehicle Theft	2,462	2,901	17.83%
Burglary of a Motor Vehicle Performance Measures			
Activity	FY 2015	FY 2016	Percentage Increase
Cleared Motor Vehicle Burglary Cases	2,453	4,675	90.58%
Arrested Burglary of a Motor Vehicle	1,162	1,360	17.03%

Plan for Providing Financial Support

Grant Program

ABTPA has a successful program of grant administration that follows the requirements set in statute and the uniform grant management standards promulgated by the Comptroller of Public Accounts (**CPA**). More than 92% of funds are used to directly fund law enforcement programs and educate the public on how to prevent motor vehicle burglary and theft. Additionally, cities and counties provided \$10.7 million cash match and \$5.7 million in-kind match (for a total of \$16.4 million) in FY 2015. These rates show that local law enforcement is committed and that the grant program is a cost effective method to support the state interest in combating motor vehicle theft and burglary.

Strategic Plan

The ABTPA conducted a strategic planning workshop at the Texas Capitol in April 2016. The workshop was attended by numerous stakeholders representing law enforcement, the insurance industry, state agencies, corrections agencies, business groups, government associations and others. The ABTPA Board approved the strategic plan that resulted from the workshop.

The core elements of the strategic plan that will be pursued in the FY 2018-2019 biennium are:

- Promote the use of state funds at the local level to combat the problem of motor vehicle burglary and theft and to reduce the losses suffered by Texas business and citizens.
- Expand program coverage (number of FTEs and areas served) to have more significant impact against motor vehicle crime, improve response to victims, and better serve citizens.
- Provide for better data collection within ABTPA programs.
- Conduct research to understand the broader implications of auto theft and determine the frequency of the use of stolen motor vehicles in other crimes such as human trafficking and drug distribution and use by organized crime.

Elements the ABTPA Board will request the Legislature to consider and possibly act upon are:

- Request an appropriation of all or at least more of the auto theft fee revenues collected to further and better combat motor vehicle theft and burglary.
- Request the amendment of ABTPA statutes to allow funds to be used for the criminal enforcement of other common motor vehicle related crimes adversely impacting victims (i.e. insurance fraud, cargo theft, heavy equipment theft, utility vehicle theft, rental car theft, Vehicle Identification Number (VIN) switching, VIN cloning, title and registration fraud).

Ensure Compliance with ABTPA Motor Vehicle Insurance Fee

A fee of \$2 is assessed (Texas Revised Civil Statutes Art. 4413(37) Sec. 10) on each year of the total number of motor vehicle years of insurance active with an insurer. This fee is deposited to the General Revenue Fund, and state law specifies that 50% of each fee may only be appropriated for ABTPA purpose. ABTPA is working with the CPA, Texas Department of Insurance (**TDI**), insurance companies and insurance trade associations to ensure all motor vehicle insurers are in full compliance with the law regarding the collection of the ABTPA fee. The ABTPA Board is required by law to notify TDI if an insurer fails to pay the fee. In FY2016, ABTPA collected about \$46 million in ABTPA fees and was appropriated \$14.9 million. ABTPA works to maintain equitable collection of the fee to serve communities, avoid losses, and to avoid competitive advantage going to companies that do not pay the required fee. The ABTPA Board has directed staff to improve the collection of fees. ABTPA staff is comparing licensed insurers' ABTPA assessment reports to other tax and industry filings made by the insurer at the CPA and TDI. This allows ABTPA to determine whether insurers have paid the proper assessment.

Provide Law Enforcement Grants

ABTPA will provide law enforcement grants to continue the current tactical law enforcement personnel strength of the specialized motor vehicle burglary and theft taskforces. The statute requires that ABTPA provide funds primarily on the incidence of motor vehicle burglary and theft. ABTPA funds taskforces in all of the largest counties in Texas. The exact

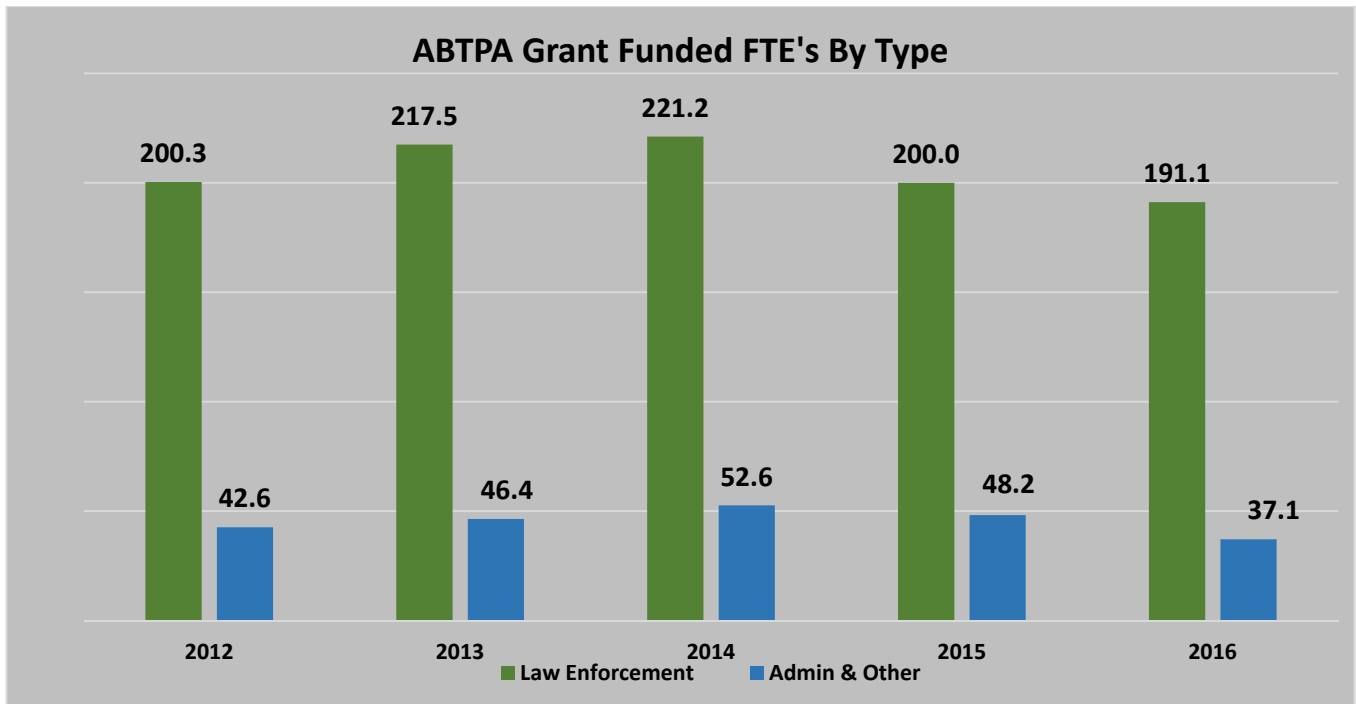
nature of the support provided to law enforcement in the next biennium will ultimately be determined by a combination of the funds that are appropriated and the needs expressed in the applications for assistance. The chart below shows the law enforcement grants funded in FY 2017:

Entity	Single/Multi-Agency Taskforce	Amount Awarded
Beaumont	Multi-Agency	\$528,714
Brownsville	Multi-Agency	\$1,142,239
Burnet	Multi-Agency	\$283,042
Dallas County	Multi-Agency	\$840,697
Galveston	Multi-Agency	\$478,097
Lubbock	Multi-Agency	\$404,523
Mansfield	Multi-Agency	\$394,341
Montgomery	Multi-Agency	\$389,892
Potter County	Multi-Agency	\$361,705
San Antonio	Multi-Agency	\$865,211
Smith County	Multi-Agency	\$332,792
Tarrant County	Multi-Agency	\$1,145,530
Travis County	Multi-Agency	\$642,776
Austin	Single	\$430,685
Corpus Christi	Single	\$410,973
Dallas	Single	\$555,204
Eagle Pass	Single	\$192,823
El Paso	Single	\$937,955
Harris County	Single	\$1,272,403
Houston	Single	\$770,949
Laredo	Single	\$637,768
Paris	Single	\$106,709
Pasadena	Single	\$82,998
Victoria	Single	\$154,719

ABTPA taskforces cover a significant portion of Texas. There are still large areas of the state that ABTPA has not had sufficient resources to cover. The taskforces almost always provide VIN inspections to people who come from non-covered counties. Several taskforces have even set up VIN inspection events in counties not participating in the taskforce. Almost 90% of the taskforces report they modified tactics to stretch resources. Two thirds of the taskforces report they have insufficient personnel to meet the demands of their area; one-half indicated they also had to modify their efforts to meet the shortages in personnel and technology; one-third are finding that lack of access to new technology is hindering their ability to fully meet their mission; and one-third reported they were denied requested additional resources from the state or local governments. Following instruction to develop needs based plans in FY2015, the taskforces made grant requests to ABTPA of more than \$18 million and were awarded the \$13.8 million available to ABTPA or 75% of the requested need. In FY2016, taskforces requested more than \$21.5 million but only received \$14.3 in grants available to the ABTPA, or 66% of the request. The gap between locally identified need and provision is increasing.

Expand Tactical Strength of Enforcement Teams

ABTPA will work to use available funds to support additional law enforcement officers in most current taskforces as they continue to demonstrate their need and effectiveness. Structural and organizational changes in law enforcement at the state level over the last several years reduced the strength of specialized motor vehicle theft investigators by more than 100 officers. The number of taskforce investigators funded by ABTPA has also shrunk in the last five years. The ABTPA strives to fill in a law enforcement coverage gap (“increase “boots on the ground”) to lower the incidents of motor vehicle burglary and theft. Maintaining current officer levels and leveraging existing resources to add more officers is critical to meeting this goal.



To address the above problem and to conform to the strategic plan, it is proposed that 80 additional motor vehicle burglary and theft investigator positions be funded primarily dedicated to multijurisdictional taskforces. These officers may also be available to cover new areas of the state not currently served by a taskforce. ABTPA will consider, through the grant program, both the expansion of current jurisdictions and the establishment of new taskforces. The expansion will be based on high incidents or rates of motor vehicle burglary and theft.

Improve Analytical, Research and Communication Resources in Taskforces

ABTPA estimates 10 (ten) new specialized positions are needed to assist taskforces in coordinating their use of evidence based practices and knowledge based tactics to combat motor vehicle crime. At least six (6) of those positions would be crime analysts who are needed to provide monitoring of motor vehicle burglary and theft activity in a coordinated fashion and to plan effective responses. Ideally, these positions will serve the taskforces and be housed in regional DPS offices or regional crime fusion data centers. The crime analysts will use data analysis and other methods to support the interdiction of criminals and to disrupt criminal economic enterprises. These positions will also monitor the confluence of motor vehicle crime with other major crimes such as organized crime, human trafficking, and drug distribution. An additional four (4) new positions may be dedicated to larger taskforces as motor vehicle technologists. These positions would ensure taskforces have knowledgeable, professional technology staff to research and identify the various digital means criminals are using to defeat automotive security measures. Recently, over 100 vehicles were stolen by two suspects using an electronic device to overcome the vehicles' ignition systems. Most of these vehicles were transported to Mexico. These technologists will also expand the knowledge about and use of tracking devices, remote surveillance technology, bait equipment and other technologies that can be deployed in the fight against motor vehicle crime.

Victim assisted motor vehicle burglary and theft continues to be a major problem in Texas. The ABTPA will target funds to support an additional ten (10) Crime Prevention Specialists. These specialists will promote strategies, activities and educational efforts in communities to prevent and reduce victim assisted motor vehicle burglary and theft. The specialist will be used to provide communities a better and more consistent message about preventing motor vehicle burglary and theft. The specialist will also help taskforces provide improved coordination of education program efforts between insurance companies, law enforcement and the public as well as develop motor vehicle crime education and awareness programs for local neighborhood associations. They will also conduct detailed case analysis of high crime areas to

determine cause of burglary and theft in those areas. ABTPA will use these local positions to conduct education campaigns based on research and outcomes.

The Crime Prevention Specialists will also distribute community target hardening supplies from brochures to new smart phone application technologies. They will work with ABTPA to research the use of new technologies such as Radio Frequency Identification (RFID) technology, motor vehicle motion alert technology and other technologies used to reduce the incidence of motor vehicle crimes. They will also expand the availability to the public of VIN etching and marking of vehicle components. Other devices such as ignition systems, tracking devices, and drone surveillance will be part of pilot projects to purchase and distribute tracking application and devices for personal items such as cell phones, purses and computers to be used in tandem with law enforcement and insurance companies to reduce burglary of motor vehicles.

Twenty (20) new positions will be provided for administrative support and administrative crime support. These positions would be determined by ABTPA in response to grant applications submitted by taskforces. This staff would largely fall into three categories:

1. Conduct VIN inspections. These positions could be civilian or law enforcement depending on the grant application. Currently more than 100 counties do not have reasonable access to personnel qualified to perform a VIN inspection. VIN inspections are a major method to identify and recover stolen vehicles and are also a mandatory part of certain vehicle title transactions. Although not currently tied to ABTPA's statutory purposes, the law enforcement officers who currently conduct VIN inspections routinely uncover title fraud, registration fraud and other motor vehicle crimes. These new inspection support staff will increase the detection of fraudulent titles and vehicle identification fraud used in converting stolen vehicles to economic gain. Also, grantees will have the ability to expand the availability of VIN inspections which will directly benefit vehicle owners throughout the state.
2. Assist, detect, and solve economic motor vehicle theft. Many stolen vehicles end up for sale on websites and social media mere moments after being stolen. Additionally, materials stolen from vehicles, including parts, are often sold on various websites. This category of additional personnel, who may not be law enforcement, could be social media or technology experts and assist law enforcement in tracking people or the IP addresses of criminal actors or to identify and recover stolen property.
3. Monitor vehicle parts distribution and crushing and grinding operations. These positions would provide systematic inspections of final motor vehicle disposal sites (grinding, crushing, parts, and other related facilities). Law enforcement often does not have personnel to investigate illegal disposal operations ("chop shops") even though such investigations often result in recovered stolen vehicles. Providing additional or dedicated funds for technology (databases, tracking, reporting systems, anti-hacking research, surveillance and interception, etc....) and improved record keeping processes for vehicle disposal (i.e.....require a receipt for National Motor Vehicle Title Information with VTR203 Form) will also be a function of these staff.

Specialized Motor Vehicle Crime Prosecutors

Lastly, the plan calls for the hiring of six (6) specialized motor vehicle crime prosecutors. These positions will work for local prosecutors and be integrated with regional taskforces. These prosecutors would focus specifically on motor vehicle burglary and theft including organized motor vehicle crime. They could also be available to assist in prosecution of other motor vehicle crime as well as providing motor vehicle crime specific training for other prosecutors.

Motor Vehicle Burglary and Theft Prevention Pilot Projects

The enabling statute provided that ABTPA would establish pilot programs to demonstrate the most effective methods to prevent motor vehicle burglary and theft. Prevention requires an interruption between the thief and the targeted item. Some technologies would also be effective in shortening the time to detect a crime that has occurred. There are many new technologies and products developed to cause this interruption and detection. ABTPA needs additional funding beyond what is currently dedicated to experienced motor vehicle burglary and theft investigators to demonstrate whether

these new products could be effective tools to prevent or quickly detect motor vehicle crime. ABTPA strategic planning workshop attendees identified several products capable of interrupting commission of a motor vehicle crime. Successful piloted technology could then be made available to broad commercial availability.

Burglary investigation and prevention need resources that are as mobile and flexible as the perpetrators. Texas communities often experience major spikes in vehicle burglaries in one area for a short duration. The crime then quickly moves to neighboring communities. Law enforcement agencies use high costs methods like increased patrols, installation of pole surveillance cameras or elevated surveillance platforms. With sufficient funds, ABTPA could explore methods to share technology across regions through resource colocation arrangements. Taskforces could be funded to deploy mobile technology when major events (i.e. bike rallies, concerts, etc.) or when BMV outbreaks occur. The ABTPA could also help consumers identify effective products through its taskforces to prevent burglary of items to quickly locate following a theft. Local law enforcement could propose pilot projects to purchase and distribute apps or devices that interrupt the connection between the thieves and objects.

A portion of the proposed additional requested funds will be used to harden the most vulnerable targets of vehicle crimes by providing specific technology and education to reduce victimization of vulnerable populations and neighborhoods. ABTPA will provide specific high crime communities and neighborhoods with emerging technologies like car data port devices, tracking technology, and web and smart phone applications to reduce motor vehicle burglary and theft. For motor vehicle theft, the purchase and distribution of new ignition system interruption technologies could be very effective in high crime areas and on fleet vehicles. For instance, Manitoba, Canada implemented a state funded ignition interrupter program for aftermarket vehicles that resulted in an 80% reduction of stolen motor vehicles.

Another area that could be developed by ABTPA and other state agencies is connecting motor vehicle Onboard Diagnostic readings at safety and emissions inspection stations to law enforcement stolen vehicle lists. Additionally, many ABTPA taskforces provide VIN etching as a way for law enforcement to promote the ABTPA message of "Watch Your Car." ABTPA would like to expand the availability to the public of VIN etching and marking of car components.

Improve Coordination

Prior to last session in the FY2016-2017 Plan of Operation, ABTPA committed to improve coordination among stakeholders to leverage existing resources to fulfill its mission. ABTPA and TxDMV placed a TxDMV investigator in a taskforce in southeast Texas. ABTPA included TxDMV in a series of law enforcement training sessions with NICB to expand understanding about criminal violations of the transportation code that often co-occur with stolen vehicles. TxDMV has coordinated through ABTPA with taskforces to work closely on title fraud and other methods of converting stolen motor vehicles into economic gain.

There was also a commitment made in the FY2016-2017 Plan of Operation to improve data collection and analysis. ABTPA has improved and streamlined the reporting processes associated with the grants. A greater emphasis on statutory performance measures and program and fiscal monitoring was established between ABTPA and the taskforces. Finally, better communication between DPS and ABTPA has produced an increased understanding regarding vehicle recovery, arrest data, and cleared cases.

During this FY2018 -2019 Plan of Operation, opportunities to increase coordination will continue with TxDMV, DPS (specifically regarding metal recycling entities), and the Texas Department of Licensing and Regulation (who has authority over used parts recyclers) to provide enhanced support and shared information and resources. ABTPA will also help taskforces and other law enforcement agencies improve and develop communication tools such as virtual command centers and regional initiative briefings. ABTPA currently facilitates monthly border communication sessions for most south Texas taskforces.

Insurance Industry Cooperation

Insurance companies and insurance associations often provide law enforcement with resources such as bait cars, targeted grants and parking lot signs. Currently, there is no method to coordinate these efforts to avoid duplication and ensure the broadest possible coverage. ABTPA has begun dialog with the insurance companies and associations to promote the best use of resources and to find areas where grants and operations can be coordinated for maximum effectiveness. ABTPA also wants to work with the insurance industry to develop education programs and implement new technologies with insurance cost reduction for consumers in mind. For example, if ABTPA demonstrated that a pilot program involving new technology was effective, then coordination with the insurance industry may offer discounts or incentives to consumers to help expand the technology to reduce motor vehicle burglary and theft.

Motor Vehicle Theft Investigator Training

ABTPA sponsored the Motor Vehicle Investigator Training through the DPS training academy for decades. Since the dissolution of the DPS Motor Vehicle Theft Service around 2010, the expertise regarding motor vehicle burglary and theft investigations is now centered in local community law enforcement agencies, specifically ABTPA funded taskforces. ABTPA, in partnership with the TxDMV, DPS, NICB, and Texas Association of Auto Theft Investigators (TAVTI) has relaunched the training program with updated materials in FY 2017. The ABTPA taskforces report that the coordination of the ABTPA network and the specially trained personnel are the most beneficial aspects of the ABTPA program.

Areas of Concern and Need

Several areas need consideration by the Legislature or legislative clarification to give ABTPA better guidance and resources to fulfil its mission.

Provide for Self-Registration and Other Methods to Prevent Stolen Vehicles from Entering Mexico

Technological advancements have increased to the point that ABTPA believes that if it were provided proper resources, owner controlled technology is available to prevent stolen vehicles from entering Mexico. ABTPA would like the ability to support or host voluntary self-registration RFID technology to track vehicles with an option to notify law enforcement if the vehicle is operated outside of set parameters (e.g., near a border crossing).

Figure 1-Typical Texas Pickup Converted to Armored Gang War Machine in Mexico

The ABTPA statute allows DPS to set up a registration program to both identify stolen vehicles and to prevent stolen vehicles from entering Mexico. The Help End Auto Theft (HEAT) program was popular with law enforcement but after years of public promotion the program never attracted wide participation. The program largely relied on a sticker that thieves could remove when stealing the car.



Recent Stolen Vehicle Recovery in Mexico PUERTA CON PLACA METALICA



Photos Courtesy of NICB

ABTPA would like to support communities along the border to develop RFID technology and to expand coordination to reduce stolen vehicles entering Mexico, allowing local jurisdictions to coordinate new ideas and programs. ABTPA staff already coordinates communication through monthly intelligence meetings with Taskforces in strategic locations. ABTPA has identified the need for law

enforcement to set up cross training with other areas, virtual command centers and border conferences to improve communication along the border.

The legislature has considered research and efforts to reduce stolen vehicles from entering Mexico in recent sessions (H.B. 3704, 84th Legislature, Regular Session). One idea identified at the ABTPA strategic planning workshop was to develop a voluntary system that allows individuals to enter their car or license plate information into a system maintained locally or statewide to prevent their car from entering Mexico without some control feature managed by the owner. Some states have already started issuing chip-embedded plates. Aftermarket chips attached to license plates could be issued locally and promoted to allow communities to prevent vehicles from entering Mexico.

Consider Expansion of Statutory Mission and Additional Resources to Reduce Motor Vehicle Crimes and Increase State Revenue

Texas loses revenues and criminals convert stolen vehicles into economic value through many crimes that are related to but not currently covered by ABTPA statutes. ABTPA funded taskforces often discover during investigations--or have reported to them through consumers, state agencies and other means--crimes that are lower in priority for local agencies and prosecutors such as title fraud, registration fraud, VIN cloning, VIN switching, illegal manufacture, illegal salvage operations, illegal distribution, and violations of motor carrier laws. The state's interest in stopping these crimes is compelling to maintain rule of law, close avenues for criminal enterprise, protect consumers and collect appropriate revenue.

There has not been a clear statewide strategy to provide resources or coordination for the enforcement effort to close off economic opportunities to criminal enterprises and recover revenue for the state. For instance, TxDMV does not have the authority to pursue criminal charges in enforcing a number of laws designed and necessary to promote the legal enterprise of motor vehicle manufacturing, distribution and sales, salvage and motor carrier industries, and to protect the public. All of the statutes governing the industries and activities the TxDMV regulates have criminal penalties available for enforcement of the law, but TxDMV can only pursue administrative sanctions and civil remedies through actions brought by the Attorney General. Complaints involving violations of these laws have traditionally been initially investigated by the TxDMV and then referred to law enforcement and other agencies for further action as criminal violations. Administrative sanctions alone have not proven to be effective in deterring violations or punishing violators. Also, few, if any, of the cases referred for criminal prosecution have been pursued beyond referral because local law enforcement and prosecutors often do not have the subject matter expertise or resources to pursue these matters. State resources and coordination would help resolve these issues.

In one recent example, a midsized jurisdiction without an ABTPA taskforce recently began requiring through their tax assessor/collector office that law enforcement conduct inspections of all titled and non-titled homemade or shop made trailers. This program used a motor vehicle theft investigator trained through ABTPA sponsored training, resulting in several recoveries of stolen trailers and increase in fees by having the trailers registered properly. The county conducted 348 VIN inspections at no cost to the citizens from August 2015-July 2016, which added an estimated \$15,312 in additional fees over the 12 month period. Improper titling and registration results in a loss of revenue to the state and is often connected to motor vehicle theft.

The ABTPA Board voted in May 2016 to request that the Legislature consider amending ABTPA statutes to allow funding of efforts to combat other common motor vehicle related crimes adversely impacting Texans (i.e., insurance fraud, cargo theft, heavy equipment theft, utility vehicle theft, rental car theft, VIN switching and VIN cloning, and title and registration fraud). ABTPA and TxDMV are well suited to coordinate a state strategy and implement effective criminal enforcement to reduce criminal economic enterprise and increase state revenues.

Estimate of Funds Required to Implement Plan

Current Request for Funds

ABTPA is committed to improving cost effectiveness by awarding participation match grants and by leveraging all resources possible. The minimum requirement of twenty percent cash match for an ABTPA grant has been exceeded by all grant funded taskforces. However, even with low inflation rates experienced in the last several years, the ABTPA and its programs have experienced diminished real funding. At current appropriation levels of \$14.9 million per year, the ABTPA will continue to operate but this Plan of Operation cannot be fully implemented without additional resources and support. With current appropriation levels, the number of motor vehicle investigators and support staff who are dedicated to combating motor vehicle crimes will continue to trend downward. Local jurisdictions have increased their local cash match contributions against stagnant state funding, despite more than \$46 million a year in ABTPA fee collections. The contributions of local governments are not likely to increase and stakeholders have expressed frustration with the large amount of ABTPA fee collections compared to low ABTPA appropriations. Thus, leaving the possibility that some jurisdictions could abandon the grant program, laying-off or reassigning highly trained investigators.

Legislative leadership has required a four percent reduction in the ABTPA baseline appropriations request for the FY2018-2019 biennium (due to ABTPA being funded out of General Revenue). The possible results of that reduction have been communicated to the Legislative Budget Board and are estimated to result in the loss of at least eight full time investigators throughout the state. If the four percent cut is not restored, ABTPA will only be able to fund part of its current program and cannot perform the expansion items discussed in this plan, which are needed to significantly reduce motor vehicle burglary and theft. To avoid this scenario, the TxDMV Legislative Appropriations Request (LAR) includes an exceptional item request to restore the four percent cut to the ABTPA baseline appropriation.

The ABTPA strategic planning workshop determined that to maintain the current taskforces and to significantly reduce motor vehicle burglary and theft will require continued appropriations at the current biennium level of \$14.9 million a year as well as an additional \$12.65 million per year. The TxDMV LAR also contains an exceptional item request for the additional \$12.65 million a year. This Plan of Operation has explained the expanded activities the funding will support, but the chart below provides a summary:

Exceptional Item Requests	New Amount Requested	Annual Total Estimated Cost
Restore Current Appropriation levels	Add the 4% amount	\$14.9 million
Additional funding to Implement Strategic Plan & Plan of Operations. Sub items below:	\$12.65 million	\$12.65 million
• 80 Motor Vehicle Burglary and Theft Investigators	\$6.5 million	
• 20 Crime prevention/analyst/technologist	\$1.27 million	
• Increase Administrative Support and Administrative Crime Support	\$.88 million	
• 6 Prosecutors-Specialized in motor vehicle crime	\$.626 million	
• Other Support Costs for Law Enforcement (Equipment, supplies, training and travel)	\$1.87 million	
• Resources for Pilot Projects to Prevent Motor Vehicle Burglary and Theft	\$1.5 million	
Total Annual Funding Request		\$27.55 million

Potential Request for Funds with Expanded Role

If the Legislature were to modify ABTPA's current role to include other areas such as title and registration fraud, adding criminal violations related to TxDMV oversight areas (see Appendix A), as well as cargo and heavy equipment theft, it is estimated that there will be additional costs beyond the amounts listed above. Additional details will be provided through proposed bill analysis and ABTPA will continue to formulate assessments during legislative deliberation. ABTPA and TxDMV will continue to examine the net increased revenue and improved consumer protection benefits that would come as a result of the increased enforcement of TxDMV revenue generating statutes.

Summary

ABTPA estimates that with current funding levels (\$14.9 million per year) maintained and the exceptional items request (\$12.65 million per year) for new funding it will increase recovery rate of stolen vehicles and reduce overall incidents of motor vehicle burglary and theft. ABTPA fee collections are projected to total over \$46 million per year and is currently appropriated \$14.9 million. If the Legislature fully funds the requests outlined in this Plan of Operation, Texas will benefit from a significant decrease in the motor vehicle burglary and theft rate.

Appendix A - Description of Crimes Related to TxDMV Statutes

1. **Title Fraud**- Title fraud can result from illegal acts or activities by dealers, title service companies and others (including elected officials or their employees). There has been a dramatic increase in the detection of title fraud cases in the past few years attributable to education efforts by TxDMV to better inform the public and tax assessor collector employees handling title transactions. Even with these efforts it is believed that title fraud is becoming an increasing issue.
2. **Registration Fraud** – This may include misuse of farm, military, trailers and other license plates. Since registration is free or reduced fee using certain types of plates, the state loses revenue when these plates are illegally obtained and used to operate vehicles on the state’s highways.
3. **Counterfeiting of plates and temporary tags**- This is a growing problem and is facilitated by social media where counterfeiters sell these tags and plates. Flea markets are also a popular location to sell counterfeit tags and plates. Vehicles use these plate to transport stolen cars, drugs and conduct human trafficking. Mexico’s recent restrictions on importing salvage vehicles has caused a dramatic increase in the use of illegal plates and tags. Toll authorities also complain about lost revenue caused by vehicles operating on toll roads with counterfeit tags and plates.
4. **Odometer fraud** - Like title fraud, odometer fraud appears to be on the rise. TxDMV staff is currently working a case involving hundreds of titles and many dealers in one county. These crimes are often undetected by the consumer and, therefore, not reported to the TxDMV. While the evidence to prove the fraud in these cases is readily accessible to the TxDMV investigators, identifying the perpetrator and persuading law enforcement and prosecutors to take the cases remains difficult.
5. **Theft of sales tax, title, registration and other fees** - by title service companies, dealers and individuals by fraud and other means- Recent well-publicized events in a number of counties reveals this to be a problem throughout the state. Investigation of these cases requires expertise to analyze the data and, again, persuade law enforcement and prosecutors to take the case. The Comptroller’s office often cooperates with the TxDMV in these cases but will only pursue cases involving higher dollar amounts.
6. **Unlicensed sale of motor vehicles and salvage motor vehicles (“curbstoning”)** - Curbstoning remains a problem throughout the state and, although the TxDMV provides education and support to local law enforcement, these violations of the law are seen as property crimes that are a lower priority for law enforcement. Curbstoning not only poses a threat to consumers who unwittingly purchases vehicles without good title, salvage vehicles that cannot be lawfully operated on the roads, and even stolen vehicles, but also poses a direct threat to licensed law-abiding dealers.
7. **Unlicensed operation as motor carrier**- TxDMV has discovered that a large number of motor carriers and bus companies are operating on the state’s highways without proper credentialing and/or required insurance. Also, motor carriers who have been determined to be unsafe operators change their identities to secure new licenses and continue to operate. These “chameleon carriers” pose a threat not only to the public but also to legitimate safe carriers who are underbid by these chameleon carriers.
8. **Unlicensed operation as a household goods movers**- “Rogue movers” are a problem throughout the country. As Americans become more mobile, these unlicensed movers use social media and Craig’s list to prey on unsuspecting families who will often pay exorbitant prices for a household goods move or even lose all of their possessions when they cannot pay the “new” price to release a hostage load at the end of the trip.
9. **Household goods moving fraud**- These crimes involve both licensed and unlicensed household goods movers. Again consumer looking for a “cheaper” move are the prey of these unscrupulous movers. Their activities threaten the reputation and cause loss of revenue to licensed movers who are complying with the laws intended to regulate this industry and protect consumers.