

Motor Vehicle Theft Prevention and Insurance Verification Council
FULL COUNCIL

Thursday, February 20, 2020
10:00 a.m. – 12:00 p.m.

Illinois State Library
300 South Second St., Room 403/404
Springfield, IL 62701

Meeting Minutes

1. Welcome and Roll Call

Chairman Piazza called the meeting to order at 10:05 a.m. and asked Micah Miller to take the roll call. The following were present:

Council Members	Present	Telephone	Absent
Pete Piazza, Director, Secretary of State Police (Chairman)	X		
Sgt. Keith Blair, Chicago Police Department	X		
David Williams, Cook County State's Attorney's Office		X	
Lt. Col. David Byrd, Illinois State Police	X		
Brian Fengel, Chief, Bartonville Police Department		X	
Jodi Hoos, Peoria County State's Attorney			X
Dana Severinghaus, Allstate Insurance	X		
Todd Feltman, State Farm Insurance	X		
Nick Jarmusz, the Auto Club Group (designee for Heather Drake)			X
Larry Johnson, Farmers Insurance	X		
Matt Gall, Country Financial	X		

Council Staff	Present	Telephone	Absent
Micah Miller, Program Director	X		
Sherry Brticevich, Grant Monitor	X		
Amy Williams, Legal Counsel	X		
Bill House, Budget Analyst	X		
Dave Fuchs, Program Assistant	X		

Chairman Piazza recognized that a quorum was present (6 members or more physically present).

The following individuals were also in attendance (asterisk indicates participation by phone):

Lt. Elmer Garza, ISATT
Sgt. Adam Broshous, ISATT
Dwayne Killian, TCAT
Sgt. Ed Grizzle, TCAT
Doug Beckman, Village Administrator, Village of Thornton
Lt. Matt Jany, MEATTF
Lt. Gary Brewer, Jr., MEATTF
Tiffany Baum, Dept. of Information Technology, Secretary of State
Kevin Martin, Illinois Insurance Association
Kenny Winslow, Chief of Police, Springfield PD
Terri Coombes, Deputy Chief of Staff, Secretary of State
* Dan Creamer, Cook County State's Attorney's Office
* Irene Lyons, General Counsel, Secretary of State
* Terry McConville, General Counsel, Secretary of State
Josh Potts, Programs and Policies, Secretary of State

2. Approval of Minutes

Chairman Piazza asked if there were comments on the minutes from the November 26, 2019 meeting. Hearing none, Lt. Col. Dave Byrd made the motion and Todd Feltman seconded the. The minutes were approved by a voice vote.

3. Program Director's report – Micah Miller

Mr. Miller discussed changes to the quarterly reporting forms, which will include performance data along with financial information. He explained that this information will be submitted to Sherry Brticevich, who will then provide the performance information to Mr. Miller. Larry Johnson asked if the Council will see the budget amounts for grantees. Ms. Brticevich said that she will have that information and can make it available.

Mr. Feltman asked if there will be any overlap of performance data being reported by two grantees. Chairman Piazza said that shouldn't occur because it will be a case for one unit and be reported as an "assist" with another unit. Matt Gall asked if we should be gathering information on any training that the units receive themselves. Mr. Miller said that it should definitely be included in the narrative of activity. Lt. Garza explained some of the training they provided in-house to new hires and said that it would be available for any other units. Mr. Miller encouraged the grantees to include this activity in their narratives.

Mr. Miller also discussed the Council logo. He mentioned that there were inquiries as to whether the old logo would be used again. He shared an image with the members and asked for their input. The members agreed that it was fine to continue to use. Mr. Miller said he would contact the graphic arts team at the Secretary of State's office to have a high resolution version available for use.

Mr. Miller also discussed the administrative rules that had undergone revisions in order to be used for the Secretary of State's office. He noted that the entire MVTPIV Council staff had sat down and performed a deep review of the rules over several weeks, which resulted in a significant overhaul of some of the sections. He explained that many of the changes were organizational, but there were a few substantive changes and in the end they reduced the overall size of the document by a few pages due to consolidation. He noted that when the final draft is ready for review, he would share them with the members.

4. Financial Report – Bill House

Chairman Piazza asked Bill House to update the members on the Trust Fund balance. Mr. House said that deposits are just started to appear, but the balance was currently just over \$16.7 million. Mr. Miller noted that the balance is continuing to move down in order to clear up some the accumulated backlog.

5. Grant Monitor's Report – Sherry Brticevich

Ms. Brticevich said that the grantees have done a great job meeting the reporting requirements. She acknowledged that the second quarter reports were received in a timely manner and she was provided with all of the necessary information in order to process them.

Mr. Gall asked if there were any issues in the way the information was provided. Ms. Brticevich said that she had some follow-up questions with the reports, but the issues were easily resolved.

6. Electronic Payment System Update – Tiffani Baum

Tiffani Baum said that the electronic payment system was active on January 2 and users are now able to pay electronically or by paper check. If a company is sending a physical check, they will enter their information electronically in order to capture it, then click a button to print the page with instructions on where to send the check.

Ms. Baum noted that as of February 20, there were 12 companies who paid \$178,000. Compared to last year, the Trust Fund had only collected \$89,000, which indicates that payments are on track. Mr. Miller noted that he had collected \$30,000 from paper checks that had come directly to the MVTPIV office. He also noted that March is typically the month with the most activity.

7. Old business

Brain Fengel asked if there were any new developments with the grant for Chicago PD. Chairman Piazza said that it didn't look like it would be resolved. Mr. Miller indicated that they had 3 different conversations with the Comptroller's office and confirmed that the decision was not going to be reversed. He also noted that their office wasn't discriminating in redirected payments as this was occurring with a multitude of entities.

Ms. Williams clarified that this fund sweep was not like prior years, but was a specific issue with a debt owed to the Comptroller's office, in which they reserve the power to redirect payments. She believed that the legislation, which governs the restructured Council, would in fact offer protections from the random fund-sweeps that had occurred in years past. She also said that moving forward there would most likely need to be language for grant applicants to indicate that they do not have outstanding debts owed to the Comptroller's office.

Mr. Johnson asked if it would be possible for Chicago PD's Major Auto Theft Unit to utilize a grant based upon reimbursements. Sgt. Blair didn't think that arrangement would be feasible. The Council agreed that they would be interested in a creative solution to provide them with the resources they requested. Brian Fengel stressed the need for the insurance industry to have their funding used for the intended purpose.

8. New Business

Chairman Piazza asked if there was any new business. Doug Beckman invited the Council to an open house for the Illinois Statewide Auto Theft Task Force (ISATT). He noted that their facility would be open on March 18, 2020 from 11:00 a.m. – 2:00 p.m. and he invited the members to meet the supervisors and other personnel, tour the facility and receive a briefing on recent activities. Mr. Miller indicated that he and several of the MVTPIV Council staff were planning to visit. Mr. Gall asked if insurance investigators were invited and Lt. Garza welcomed them.

Sgt. Broshous said that they have been busy at ISATT, they have 6 task force officers, 5 more to join soon, 2 civilian auditors and 5 Secretary of State investigators. Lt. Garza said that they had 43 recoveries last month, which was a record for them. Mr. Miller asked if there were any updates on the annual motor vehicle theft conference. Sgt. Broshous said that they were petitioning each unit for approximately \$12,000 to cover registration fees for every investigator who would wish to attend. He noted that it was an international conference and would be valuable to attend, but understood it was not a planned expense for some units.

Sgt. Ed Grizzle with Tri-County Auto Theft (TCAT) said that they currently have 5 task force members and recently had 194 cases assigned to them since July 1, 2019, which resulted in 41 arrests, 145 vehicle recoveries valued at approximately \$2 million dollars. He noted that they are staying very busy and in steady communication with their neighboring units.

Lt. Matt Jany with Metro East Auto Theft Task Force (MEATTF) said that they have their facility squared away, computers up and running and 10 task force officers staying busy. He noted in December they had 50-60 theft recoveries, January saw 40-50 and February is seeing 25. He also said they had a problem with 30-40 juveniles who were responsible for a significant amount of thefts, resulting in 15 arrests. He noted a big problem was with the St. Louis and East St. Louis areas driving out to the rural areas to commit thefts. He noted that they have daily contact with St. Louis Police Department.

Mr. Johnson recognized Sgt. Broshous for attending a recent NSBII meeting and updating members on Council business. He also said he attended a meeting in Southern Illinois where

MEATTF was being praised for how quickly their operation opened up and the quality of investigations.

Mr. Feltman gave a brief update on the mandatory insurance system and said that companies are now reporting liability insurance and matching it to the registration information from the Secretary of State. He noted that approximately 1 million uninsured motorists will be getting letters.

Dan Creamer with the Cook County State's Attorney's Office said that he took a complaint last month regarding rogue tow operators and wanted to recognize Sgt. Broshous and Lt. Garza with ISATT for their assistance in the case.

Dana Severinghaus said that she recently met with the towing association and with Tim Lynch, National Insurance Crime Bureau, to see what legislative fixes they can develop to help address this issue. She also noted that she is working with their claims people at Allstate to track complaints and to make sure that the City of Chicago is hearing them.

Sgt. Blair said that in Chicago they are basically dealing with gangs and tow operators who act as such, therefore there is a factor of intimidation when it comes to reporting the problem. Ms. Severinghaus said that this is true for their claims people who have to deal with some of the tow yards. Sgt. Blair said many tow yards are in such a state of neglect that they are being reported to Business Affairs and Chicago Environmental Protection Agency, but rather than shut down he sees them moving.

Sgt. Broshous said that ISATT is working with the Cook County State's Attorney's Office to try and secure a dedicated ASA to help prosecute these individuals. David Williams confirmed that they are having conversations about this and trying to help with the rouge tow operators. Chairman Piazza said that tow activity also depends on the price of recyclable metal since many operators are simply junking cars to get quick money. Mr. Gall said that a bigger target is the insurance money they can get if they hold the cars hostage until companies pay. Sgt. Blair noted that this was occurring with rental agencies, but they finally decided to stop paying the outrageous fees. Ms. Severinghaus said that the rental companies were also pushing for some legislative fixes. Sgt. Blair said that Hertz rental agency had paid several hundred thousand dollars just to get vehicles back from tow operators.

Sgt. Blair said that they are advising victims to report the vehicle stolen (theft by deception), which gives his unit leverage to go to the tow yards and get a search warrant if they are uncooperative. He noted that the activity is so large that 10 times the manpower of his unit would still not be enough to go after all of the offenders.

Chairman Piazza asked if there was any other business. Lt. Garza asked about the tow and replacement battery costs for the four vehicles that Secretary of State Police secured in November 2018 from Tri-County. He mentioned that there was approximately \$1300 in outstanding invoices from Wes's Service. Mr. Miller noted that in June 2019 the Council motioned to pay for these costs, however they never got paid. Chairman Piazza asked if ISATT

would be able to pay the invoices from their budget. Lt. Col. Byrd asked if they had an appropriate line item for these funds. Lt. Garza noted that they a fund for towing. Lt. Col. Byrd said he would be willing to make the motion. Mr. Miller noted that final action on an issue like this should be posted on the agenda. Ms. Brticevich said that if ISATT wants to pay the invoice, especially considering the relatively low amount, they have the flexibility in their budget to pay it and should document it with a receipt. Lt. Garza said they would make the payments.

9. Public Comments

Chairman Piazza asked if there were any public comments. Hearing none, he thanked everyone for their time.

10. Adjournment

Lt. Col. Byrd made the motion to adjourn and Mr. Feltman seconded the motion. The meeting was adjourned at 10:58 a.m.