

Motor Vehicle Theft Prevention and Insurance Verification Council
GRANT REVIEW COMMITTEE REMOTE MEETING

Thursday, April 15, 2021
10:00 a.m. – 12:00 p.m.

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

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Meeting Minutes

1. Welcome and Roll Call

Chairman Johnson called the meeting to order at 10:02 a.m. and read the following statement, “I have determined that an in-person meeting or a meeting conducted under the Open Meetings Act is not practical or prudent because on March 9, 2020 the Governor of Illinois declared all counties in the State of Illinois as a disaster area in response to the outbreak of COVID-19.”

He then asked Micah Miller to take the roll call. The following were present:

Members	Present	Absent
Pete Piazza, Director, Secretary of State Police	X	
Jodi Hoos, Peoria County State’s Attorney	X	
Todd Feltman, State Farm Insurance	X	
Larry Johnson, Farmers Insurance	X	
Matt Gall, COUNTRY Financial	X	

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

Chairman Johnson recognized that a quorum was present (3 or more).

The following individuals were also in attendance:

Capt. Elmer Garza, ISATT
Sgt. Adam Broshous, ISATT

Sgt. Keith Blair, Chicago Police Department
 Sgt. Joe Hallihan, Chicago Police Department
 Dwayne Killian, TCAT
 Sgt. Ed Grizzle, TCAT
 Doug Beckman, Village Administrator, Village of Thornton
 Lt. Matt Jany, MEATTF
 Lt. Gary Brewer, Jr., MEATTF
 Terri Coombes, Deputy Chief of Staff, Secretary of State
 Irene Lyons, General Counsel, Secretary of State
 Josh Potts, Programs and Policies, Secretary of State
 Amanda Trimmer, Chief Deputy Director, Secretary of State Budget Office
 Alyssa Haaker, General Counsel, Secretary of State
 Carrie Leitner, Vehicle Services Department, Secretary of State

2. Approval of Minutes

Chairman Johnson asked if there were comments on the minutes from the January 14, 2021 meeting. Hearing none, Larry Johnson motioned to approve the minutes and Chairman Piazza seconded. The minutes were approved with a roll call vote, 4 yes, 0 no and 1 abstain.

Vote on minutes from January 14, 2021

Council Members	Yes	No	Abstain
Pete Piazza, Director, Secretary of State Police (Chairman)	X		
Jodi Hoos, Peoria County State’s Attorney	X		
Todd Feltman, State Farm Insurance			X
Larry Johnson, Farmers Insurance	X		
Matt Gall, COUNTRY Financial	X		

Mr. Miller also informed the members that Bill House has taken a new position with the Governor’s office and would no longer be serving as the Budget Analyst for the Council. He read a brief statement thanking the members for having the opportunity to work together. Amanda Trimmer informed the Council that Monica Melton would be taking over those duties.

3. Review of year-3 funding proposals: Q & A opportunity

Mr. Miller informed the members that the Trust Fund has generated approximately \$6.2 million from 190 insurance companies to date. He noted that there are about 25 outstanding companies who collectively paid approximately \$750,000 last year, which puts the Trust Fund on track to collect a similar amount as seen in prior years.

Mr. Miller also discussed a Fiscal Impact Statement that he provided to the members ahead of time. He indicated that this was generated with input from Council Staff and highlighted the fact that the incoming payments to the Trust Fund continue to be split 50/50 between the

Council and the Mandatory Insurance division. It further highlighted that the Council's portion of funds were approximately \$7.95 million, while the total year-3 grants for consideration were just over \$7.3 million. He noted that the statement would be provided annually for the Council to consider the sustainability of future grants.

Chairman Piazza noted that there is enough fund balance to approve the year-3 grants as they were proposed. He also expressed an interest in finding a solution for year-4 grants. State's Attorney Hoos asked if it would be feasible to reduce the amount of all three grant requests to bring the total down to \$7 million, noting that the Fiscal Impact Statement said, "awarding grants in excess of \$7 million is not sustainable." Amanda Trimmer said that if year-3 grants totaled \$7 million, that also would not be sustainable and realistically they would need to be cut down to \$3.5 million. State's Attorney Hoos asked for clarification on whether year-3 grants needed to be under \$7 million or not. Ms. Trimmer said that the real problem would be not having enough funding for year-4 grants.

Mr. Miller clarified that the \$7 million reference was more an indicator as to the total amount that the Trust Fund generates in revenue each year and when you provide a 50/50 split on those funds between the Council and the Mandatory Insurance division, the sustainable level of grants is actually far lower. He also noted that the Secretary of State's office inherited a backlog of approximately \$9.5 million dollars, which allowed grants of these levels to be awarded. He further noted that the backlog will virtually be gone if year-3 grants are awarded in their entirety, which leaves the Council in a difficult position heading into 2022.

Chairman Piazza said that if all three grantees received a 10% cut, that would only free up about \$700,000, which indicated that the Council would need to come with more funding. Mr. Johnson referenced the statute, which said that the insurance verification portion of funding may be "no more than 50%" of each dollar collected. He also asked if the insurance verification program was utilizing the full 50% of their funding or if they had money left over that could be provided back to the Council for the purpose of awarding grants. Mr. Johnson also said that the statute only provides for collection of the funds based upon personal insurance policies written in the state with comprehensive only insurance. He noted that there was an opportunity to expand the collections to include policies with liability only, commercial fleets, rental fleets, etc... He also said that increasing the surcharge from \$1.00 to \$1.50 could be an option.

Mr. Miller said that Council Staff have been involved in conversations with the Mandatory Insurance division to see if an agreement could be made to help direct any unused funding to the Council. He noted that COVID-19 impacted their operations considerably, but he would have an update for the meeting in May. He also said that moving forward, a representative from the Mandatory Insurance division would be participating with the Council as the insurance industry has a vested interest in making sure that both operations are working well. Ms. Trimmer said that once Mandatory Insurance starts to issue suspension letters, they may need to significantly boost their personnel, but that would take several months to realize.

Todd Feltman asked where the funds for reinstatement fees would be deposited when suspension letters go out. Amy Williams said that those fees would either go to the Road Fund

or the General Revenue Fund. Ms. Williams also noted that any legislative changes would most likely not be submitted to the General Assembly until January 2022 and with an immediate effective date would probably not be able to address a funding shortfall for year 4. Mr. Johnson noted that the Act has a sunset date in 2022 and would need an extension.

Hearing no other funding questions, Chairman Piazza asked ISATT for a briefing on how their year has gone and a description of their year-3 request.

ISATT

Sherry Brticevich noted that the ISATT proposal included a Memorandum of Understanding (MOU) with the Chicago Police Departments Major Auto Theft Investigations Unit (CMATI), which will allow them to partner. Sgt. Hallihan indicated that the ability to partner with ISATT would be vital to the training of their personnel and also to provided updated vehicles to their aging fleet.

Sgt. Broshous reported that they are fully staffed and finally got the Cook County Investigators, Chicago PD Officer and Cook County State's Attorneys on board. He noted that the significant portion of their increase for year-3 involves the MOU with CMATI, which mostly covers overtime along with equipment and vehicles, which are desperately needed. Capt. Garza indicated that the year-3 request will probably stay consistent moving forward.

Sgt. Broshous said that he has been working with CMATI in auto theft for seven years and can attest to their aging equipment and vehicle fleet. He also noted that CMATI already has a close working relationship with ISATT and TCAT and this partnership can only strengthen their operations. Capt. Garza said that they have already recovered \$20 million and over 200 arrests and they could be even more effective moving forward.

Mr. Johnson asked if auto theft trends have increased lately. Sgt. Grizzle with TCAT indicated that a January 2021 NICB report showed a 9.2% increase in auto thefts from 2019 to 2020. He said that the national number of thefts in 2019 was 799,000 and for 2020 it was up to 870,000. Mr. Miller reminded the members that the Motor Vehicle Theft Prevention Strategy, which the Council approved, had a lifespan from 2019 to 2022. He noted that the Council would need to review the Strategy soon to include updated information and potential new goals to guide funding for 2023-2026.

Mr. Johnson said that insurance companies used to donate vehicles to task forces in the past and it could be a consideration moving forward. Capt. Garza said that Nationwide and Geico have donated five cars to ISATT already. He also noted a van that was recently acquired for surveillance that would be available for the other task forces to utilize as well. Mr. Miller asked Mr. Johnson if he knew why the long-standing insurance vehicle donation program was on hiatus approximately ten years ago. Mr. Johnson said that it was largely utilized by a couple of the bigger insurance carriers, who at the time decided to stop supplying cars. He indicated that it was most likely a business decision on their end. Mr. Johnson also said that in the past, if a task force recovered a vehicle that would be a good fit for their operation, they would simply

inquire to the insurance company if they would be willing to donate it. Capt. Garza said that most of the vehicles that they received from insurance companies were hail-damaged vehicles. Sgt. Grizzle said that they received a donated vehicle from Travelers Insurance.

Todd Feltman asked to clarify the amount that ISATT was asking for in year-3 funding. Capt. Garza noted that it was \$3,338,845.

TCAT

Sgt. Grizzle said that they are adding two more personnel to their unit, which will allow them to make more recoveries. He noted that as of July 1, 2020, they made 89 arrests and recovered \$3.8 million in vehicles, which does not include the busiest time of the year for them (summer months). He also noted that they are adding overtime to their request, which brings them in line with the other task forces.

Chairman Piazza said that the overtime and benefits should be considered because agencies are hesitant to offer personnel if they can get overtime and benefits with other task forces.

MEATTF

Lt. Matt Jany said that in the first quarter of 2021 they have recovered \$2.1 million in vehicles. They also added a State's Attorney from St. Clair County, which has bumped up their prosecution percentage from 50% to 90%. He indicated that 20% of their recoveries have been fleet vehicles.

Lt. Jany said that moving forward they will probably not have increases to their yearly budget request. He indicated that a significant cost for year-3 is for them to move away from leased vehicles and toward the state bid vehicles. He noted that the equipment would all be switched over to the new vehicles.

Lt. Jany also noted that Lt. Gary Brewer recently retired on April 1, 2021 and recognized him for his hard work in helping to rebuild the Metro East Task Force.

4. Vote on year-3 funding recommendations

Chairman Piazza asked if there were any other questions about St. Clair County's grant (MEATTF). Hearing none, Mr. Feltman motioned to approve the grant and Chairman Piazza seconded the motion. Mr. Miller took a roll call vote, which passed 5 yes – 0 no.

Vote on year-3 grant for MEATTF for \$2,388,739

Council Members	Yes	No	Abstain
Pete Piazza, Director, Secretary of State Police (Chairman)	X		
Jodi Hoos, Peoria County State’s Attorney	X		
Todd Feltman, State Farm Insurance	X		
Larry Johnson, Farmers Insurance	X		
Matt Gall, COUNTRY Financial	X		

Chairman Piazza asked if there were any other questions about the City of Joliet’s grant (TCAT). Hearing none, Chairman Piazza motioned to approve the grant and Mr. Feltman seconded the motion. Mr. Miller took a roll call vote, which passed 5 yes – 0 no.

Vote on year-3 grant for TCAT for \$1,601,741

Council Members	Yes	No	Abstain
Pete Piazza, Director, Secretary of State Police (Chairman)	X		
Jodi Hoos, Peoria County State’s Attorney	X		
Todd Feltman, State Farm Insurance	X		
Larry Johnson, Farmers Insurance	X		
Matt Gall, COUNTRY Financial	X		

Chairman Piazza asked if there were any other questions about the Village of Thornton’s grant (ISATT) including an MOU with CMATI. Hearing none, Mr. Feltman motioned to approve the grant and Mr. Gall seconded the motion. Mr. Miller took a roll call vote, which passed 4 yes – 0 no – 1 abstaining.

Vote on year-3 grant for ISATT including an MOU with CMATI for \$3,338,845

Council Members	Yes	No	Abstain
Pete Piazza, Director, Secretary of State Police (Chairman)			X
Jodi Hoos, Peoria County State’s Attorney	X		
Todd Feltman, State Farm Insurance	X		
Larry Johnson, Farmers Insurance	X		
Matt Gall, COUNTRY Financial	X		

5. Old business

There was no old business.

6. New business

There was no new business.

7. Public comments

There were no public comments.

8. Adjournment

Hearing no other business, Chairman Piazza noted that the next meeting of the FULL Council will be at 10:00 a.m. on May 13, 2021. Mr. Feltman motion to adjourn and Chairman Piazza seconded the motion. The meeting was adjourned at 11:01 a.m.