

MEMO



DEC 08 2010

Senate of Pennsylvania

December 7, 2010

TO: ALL SENATORS

FROM: Stewart J. Greenleaf

A handwritten signature in black ink that reads "STEWART".

SUBJECT: Cosponsorship – **Enhancement of Auto Theft Prevention**

I am reintroducing **Senate Bill 1162**, amending both the Crimes Code, Title 18 and the Vehicle Code, Title 75 of the Pennsylvania Consolidated Statutes to assist law enforcement in cracking down on auto theft in Pennsylvania.

In 1994 the General Assembly created the Auto Theft Prevention Authority (ATPA) via Act 171. The Authority receives funding through assessments on insurance carriers based on premiums written in Pennsylvania. The Authority then provides grants to law enforcement for the purpose of combating and prosecuting auto theft. No tax dollars are used for the Authority's operations. Since the inception of the Authority, law enforcement grantees have recovered \$384.2 million worth of vehicles and \$19.2 million worth of parts through 2009. In addition, annual auto theft rates have declined by more than 60% since the Authority's inception.

Even though the number of stolen vehicles has declined, the complexity and expense of conducting in-depth investigations has increased. Auto thieves are becoming more organized and the crime of auto theft is evolving into a multi-faceted crime. Organized criminals are increasingly involved in stealing vehicles, altering their identities and selling the vehicles to unsuspecting consumers, or shipping the vehicle to other countries where they are sold on the black market at greatly inflated prices. They also steal vehicles to chop them up to sell the parts. The profits from these thefts are often used to supplement other criminal endeavors. To maintain pace with the changing crime of auto theft, the ATPA Board of Directors and grantees are seeking legislative revisions that will improve their efforts to investigate these more complex cases, as well as improve their ability to locate and recover stolen vehicles and their parts.

First, the Motor Vehicle Chop Shop and Illegally Obtained and Altered Property Act, which imposes criminal penalties, is codified into Title 18. Under the bill, the act is amended by removing the definition of "motor vehicle" and replacing it with the terms "vehicle," "trailer" and "semitrailer." As it stands now, the law only applies to the unlawful disposition of motor vehicles and motor vehicle parts. Trailers or semitrailers, however, do not meet the definition of a motor vehicle because they are not self-propelled and therefore are exempt under the act. This presents a problem for law enforcement as thieves who steal trailers, change the identity of the trailers to resell them, or dismantle the trailers to sell the parts, cannot be charged under the act. Replacing "motor vehicle" with the broader term "vehicle" will help capture trailers and allow police officers to charge for stolen trailers that are altered or dismantled for parts.

Second, the bill amends section 5111 of Title 18 pertaining to proceeds of unlawful activity. While section 5111 provides an avenue for prosecutors to go after individuals dealing in proceeds from illegal activity, the ATPA Board of Directors and grantees believe that the current language is vague when attempting to charge someone under this offense when proceeds are obtained from stolen vehicle activity. To address this concern, the measure clarifies the offense of dealing in proceeds of unlawful activity to specifically include stolen or illicitly obtained property. In addition, the definition of "financial transaction" is amended to include any exchange of stolen or illicitly obtained property for financial compensation or personal gain. These changes will enhance the utilization of this statute by prosecutors for proceeds obtained from stolen property.

Finally, my proposal amends section 6308 of Title 75 relating to investigations by police officers. A court ruling has raised several constitutional issues with section 6308 as it relates to search and seizures. The purpose of these changes is to clarify the items that were ruled unconstitutional. Current law fails to establish any limits on time for inspections. This proposal addresses that issue by providing that inspections may occur during normal business hours or any other time in which work is being conducted or performed. Also, this section of law does not properly limit which vehicles may be searched. It allows the police to search any vehicle on the premises, including private vehicles belonging to employees or customers and as such fails to provide constitutionally required limits on police discretion. The bill corrects this issue by limiting searches to those vehicles and parts that are subject to the record keeping requirements of the law.

If you would like to cosponsor this proposal, please contact Pat Snively of my office by e-mailing her at psnively@pasen.gov.