

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 13

(Senator McCray)

Judicial Proceedings

Judiciary

Vehicle Theft Prevention Fund – Allocation of Grants

This bill alters the formula for allocating grants from the Vehicle Theft Prevention Fund. To the extent practicable, the Vehicle Theft Prevention Council must *consider* allocating grants among the subdivisions of the State on a *pro rata* basis determined by the total number of motor vehicles *stolen* in each subdivision divided by the total number of vehicles *stolen* in the State, rather than by the total number of vehicles *registered* in each subdivision divided by the total number of vehicles *registered* in the State.

Fiscal Summary

State Effect: Overall funding for the Vehicle Theft Prevention Fund is not affected. The bill is not anticipated to materially affect State operations or finances, as discussed below.

Local Effect: The bill is not anticipated to materially affect local government finances or operations, as discussed below.

Small Business Effect: Minimal or none.

Analysis

Current Law:

Vehicle Theft Prevention Council

The purpose of the Vehicle Theft Prevention Council in the Department of State Police (DSP) is to prevent and deter theft of private passenger and commercial motor vehicles and related crime in the State, including vandalism and theft of property from vehicles. The

council has the following powers and duties: (1) to make grants from the Vehicle Theft Prevention Fund for motor vehicle theft intervention programs; (2) to solicit and accept money for deposit into the fund; (3) to establish or assist in the establishment of programs to reduce the incidence of vehicle theft and related crime; (4) to identify priorities for theft prevention strategies in the State and criteria for the council's evaluation of recipients of assistance from the council; and (5) to study and propose laws that will further prevent and deter vehicle theft and related crime.

Vehicle Theft Prevention Fund

The fund is a special, nonlapsing fund consisting of (1) \$2.0 million in penalties paid by uninsured motorists each fiscal year; (2) money received by the council or the fund from any source; and (3) investment earnings of the fund. The expenses of the council, including staff salaries and administrative expenses, must be paid from the fund but may not exceed 7% of the total expenditures from the fund in a fiscal year.

When making grants from the fund, the council must consider and prioritize the following entities and programs: (1) State and local law enforcement agencies to enhance vehicle theft enforcement and prevention teams or efforts, and for programs designed to reduce the incidence of vehicle theft; (2) local prosecutors and judicial agencies, for enhanced prosecution and adjudication of vehicle theft crime; (3) neighborhood, community, or business organizations, for programs designed to reduce the incidence of vehicle theft; (4) educational programs designed to inform motor vehicle owners of methods to prevent motor vehicle theft and to provide equipment, for experimental purposes, to enable motor vehicle owners to prevent motor vehicle theft; (5) programs designed to reduce the incidence of vehicle theft by juveniles; and (6) programs designed to reduce or deter damage or vandalism to vehicles in connection with vehicle theft or theft of property from vehicles.

To the extent practicable, the council must allocate grants from the fund among the subdivisions of the State on a *pro rata* basis determined by *the total number of vehicles registered in each subdivision divided by the total number of vehicles registered in the State*.

State/Local Fiscal Effect: The Vehicle Theft Prevention Fund is funded with \$2.0 million annually. The overall funding for the program is unaffected by the bill. Although the bill alters the statutory formula that relates to the allocation of grant awards from the fund, based on information provided by DSP, the bill is not anticipated to materially affect State or local finances. First, current law specifies that the Vehicle Theft Prevention Council must, *to the extent practicable*, allocate grants among the subdivisions on a *pro rata* basis determined by *the total number of vehicles registered in each subdivision divided by the total number of vehicles registered in the State*. This is the formula that is altered by the bill. However, DSP advises that, in practice, the council generally allocates grants from the

fund based on the extent of the vehicle theft problem in each jurisdiction (consistent with the bill’s changes), while also implementing a multi-jurisdictional, integrated, and coordinated approach.

Second, under both current law and the bill, DSP advises that the council retains flexibility in allocating grants, as the council is only required to *consider* following the statutory formula *to the extent practicable*. Accordingly, DSP anticipates that it does not anticipate changing the grant allocation process as a result of the bill.

Exhibit 1 shows the fiscal 2021 grant awards provided by the council and the percentage of grant awards by grant recipient. For each jurisdiction, the exhibit also shows the percentage of statewide car registrations and the percentage of vehicle thefts.

Exhibit 1
Vehicle Theft Prevention Fund Grant Awards
Fiscal 2021

<u>Jurisdiction</u>	<u>Percentage of State Car Registrations</u>	<u>Percentage of Vehicle Thefts</u>	<u>Percentage of Grant Awards</u>	<u>Grant Awards</u>
Anne Arundel	11.38%	5.86%	4.33%	\$82,000
Baltimore	13.41%	14.23%	27.02%	505,000
Baltimore City	5.67%	35.09%	5.94%	111,000
Charles	3.03%	1.44%	1.61%	30,000
Harford	4.76%	1.03%	1.07%	20,000
Howard	5.54%	2.35%	3.64%	68,000
Montgomery	15.77%	7.89%	8.56%	160,000
Prince George’s	14.00%	24.11%	28.52%	533,000
State Agencies			13.91%	260,000
Other Entities			5.35%	100,000
Total				\$1,999,830

Note: State agencies include the Department of State Police, the Maryland Community Crime Prevention Institute, and the Motor Vehicle Administration. Other entities include Washington College and the Industry Merged with Police Against Car Theft.

Source: Vehicle Theft Prevention Council

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Baltimore, Harford, Howard, Montgomery, Prince George's, St. Mary's, and Washington counties; Department of State Police; Department of Legislative Services

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