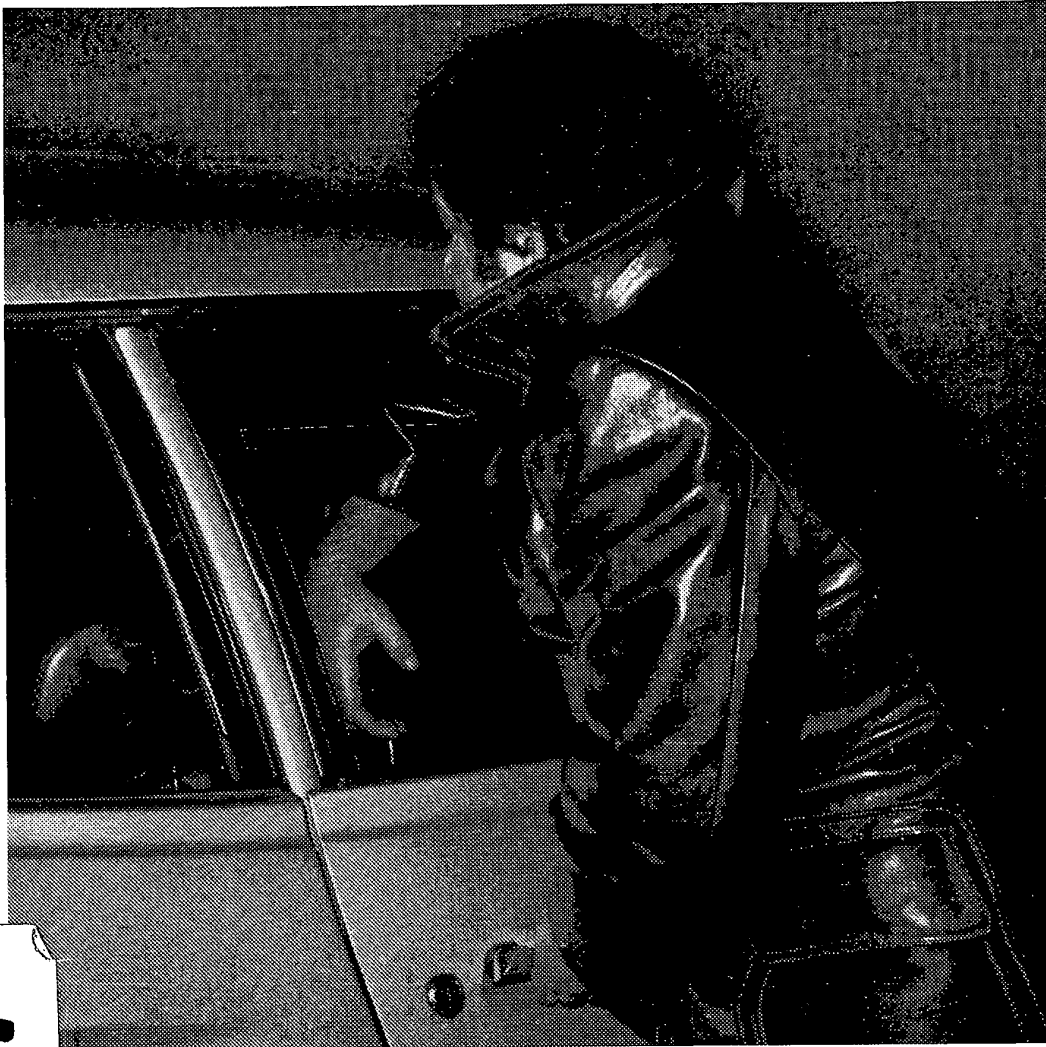


AUTO THEFT

IN MASSACHUSETTS—AN EXECUTIVE RESPONSE



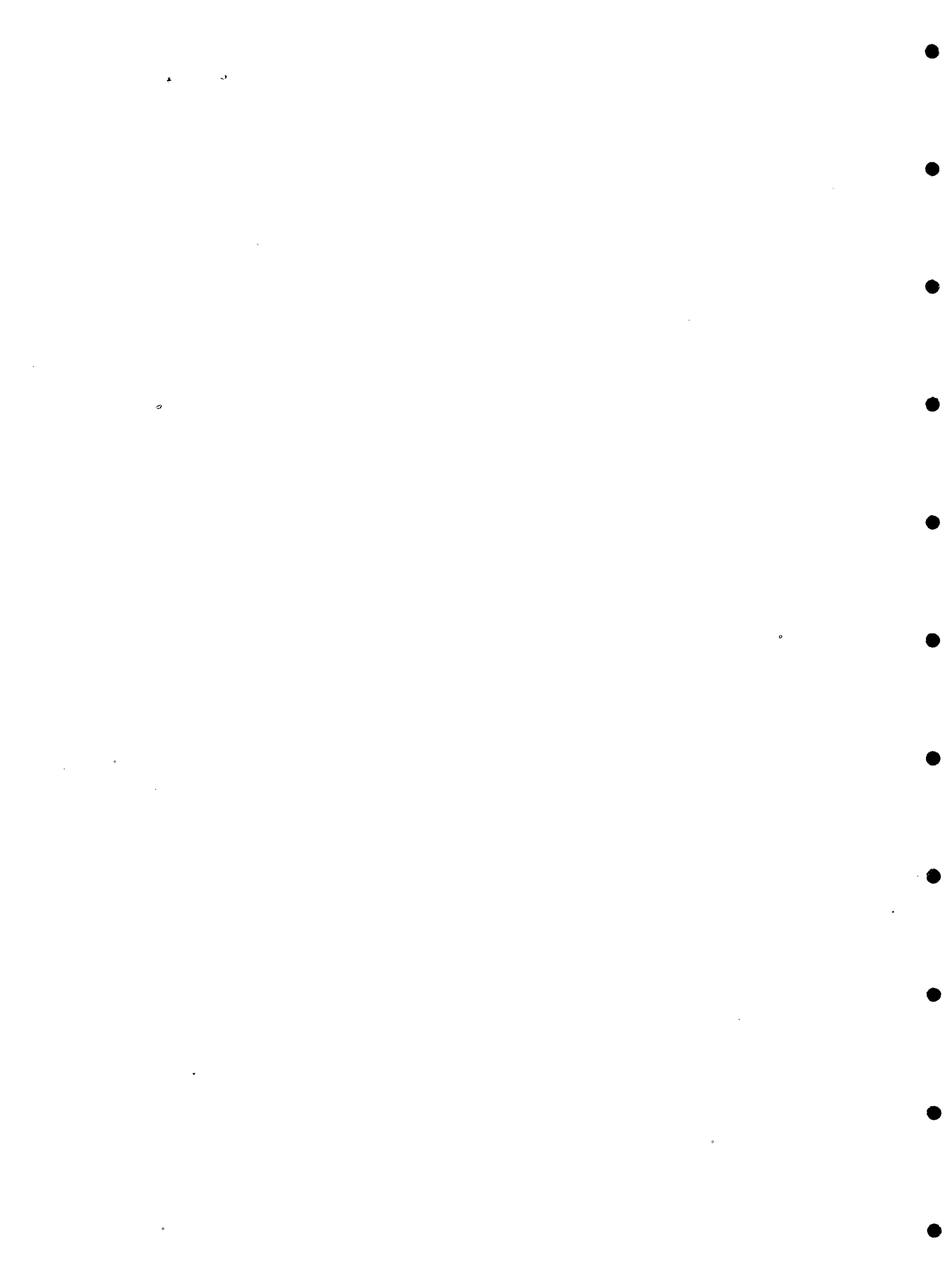
EDWARD J. KING, Governor

Prepared by:

**The Governor's Task Force on Automobile Theft
MARCH, 1980**

73361

MOFICHE



AUTO THEFT IN MASSACHUSETTS

AN EXECUTIVE RESPONSE

NCJRS

NOV 13 1980

ACQUISITIONS



TABLE OF CONTENTS

TABLE OF CONTENTS i

MEMBERSHIP OF GOVERNOR'S TASK FORCE
ON AUTOMOBILE THEFT. iv

MEMBERSHIP OF LAW ENFORCEMENT SUBCOMMITTEE vii

LIST OF TABLES viii

LIST OF FIGURES x

LIST OF EXHIBITS xii

ACKNOWLEDGEMENTS xiii

LETTER FROM TASK FORCE CHAIRMAN. xiv

INTRODUCTION xv

A SUMMARY xvi

EXECUTIVE ORDER NO. 170. xxx

EXECUTIVE ORDER NO. 171. xxxiii

TASK FORCE FINDINGS. 1

 A. Criminal Justice System 2

 1. Incidence of Crime 3

 2. Financial Cost of Automobile Theft 5

 3. Nature of the Offense 8

 4. Arrestees 12

 5. Rate of Arrest 17

 B. Criminal Insurance Fraud 19

 1. Introduction 19

 2. National Ranking 20

 3. The Mandatory Offer Law 22

 4. The Reinsurance Facility 24

 5. Premium Retrieval 28

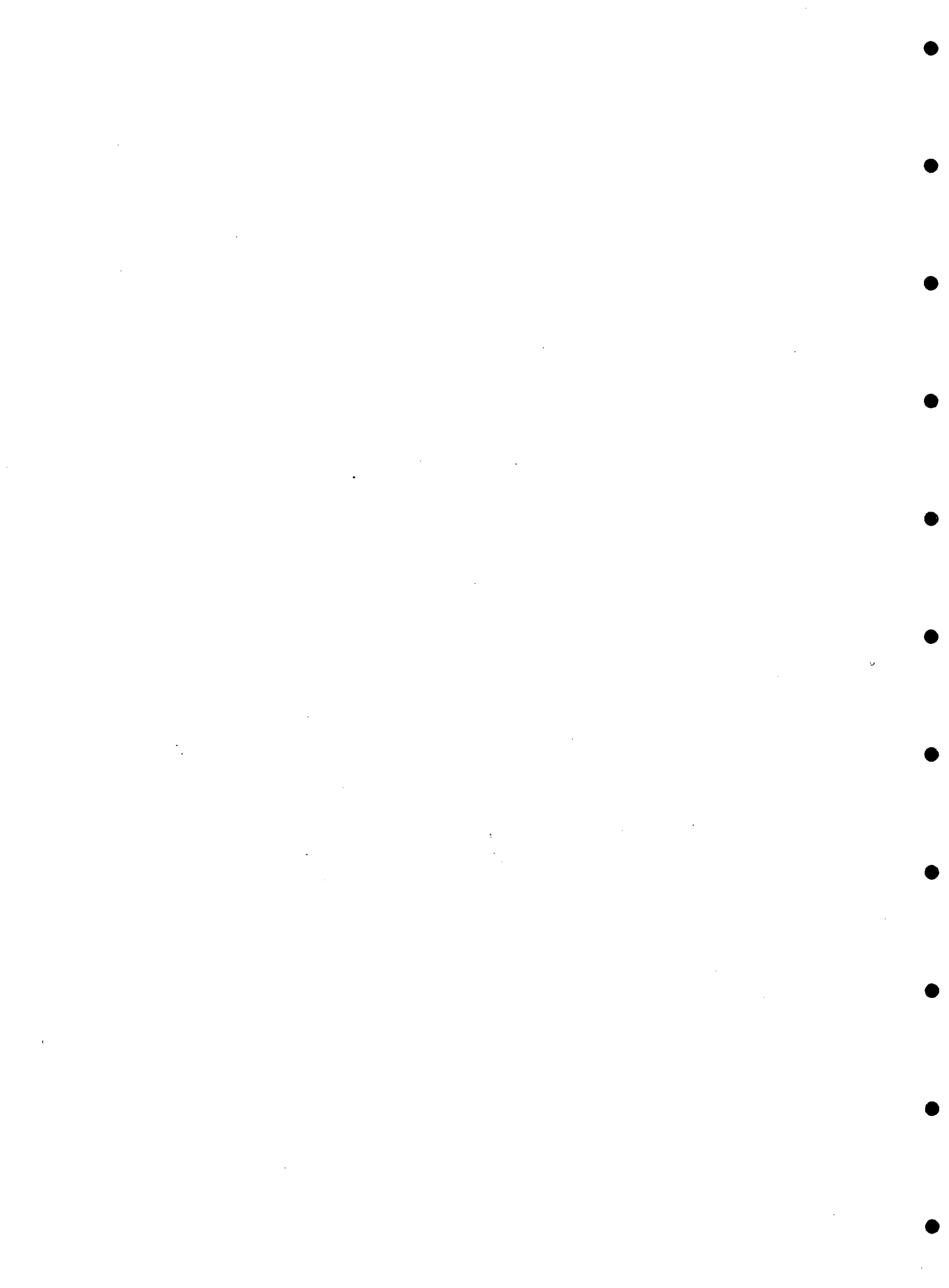
 6. Market Instability 28

 7. Automobile Insurance Rates 30

 8. Examples of Insurance Fraud 31

TASK FORCE RECOMMENDATIONS	35
A. Recommendations for Reform of the Criminal Justice System	36
1. Introduction	37
2. Mandatory Sentencing for Habitual Car Theives	39
3. Felony/Misdemeanor Distinction	41
4. Mandatory Finding	50
5. Mandatory Sentencing for Unauthorized Use Offenders	51
6. Mandatory Sentencing for Professional Car Theives	51
7. The High Speed Chase	52
8. Altering Vehicle Identifying Numbers	52
9. Mandatory Restitution	53
10. Preservation of Owner's Testimony	54
11. Forfeiture of Stolen Motor Vehicle or Vehicle Parts.	54
12. Court Jurisdiction	56
13. Juvenile Justice	57
14. Federal Motor Vehicle Theft Prevention Act of 1979 - Responsibility of Automobile Manufacturers	58
B. Recommendations to Combat Criminal Insurance Fraud	59
1. Introduction	60
2. The Massachusetts Motor Vehicle Reinsurance Facility	61
3. Criminal Insurance Fraud	63
4. Immunity and Privacy Laws	64
5. Automobile Preinspection	64
C. Recommendations for Reform of the Registration and Titling Laws	65
1. Introduction	66
2. Licensing and Regulation of Vehicle Recyclers and Scrap Processors.	67
3. The "Salvage Switch"	67
4. Second-Hand Motor Vehicle Dealers	69
5. Reporting Procedures.	72

D. The Law Enforcement Response	75
1. Introduction	76
2. Auto Theft Squads	76
3. Police Training	79
4. Priority Prosecution	80
5. Federal Funds	81
E. Public Awareness Campaign	82
1. Introduction	83
2. "Stop Thief" Program Outline	84
APPENDIX A.	92
List of Witnesses at Task Force Hearings	93
APPENDIX B	103
An Outline of Private Organizations, Trade Associations and Governmental Involvement	104
APPENDIX C	116
<u>Advisors</u>	116
Registry of Motor Vehicles	117
Industry Advisory Committee	118
Agents Advisory Group	119
Other Industry Advisors	120
District Attorney Advisors	121
Law Enforcement Advisors	122
National Association of Attorneys General	123
United States Senate Staff	123
National Auto Theft Bureau	123
Other Advisors	124



THE GOVERNOR'S TASK FORCE
ON AUTOMOBILE THEFT

Chairman

Richard L. Malconian Vice President and General Manager
of Claims, Liberty Mutual Insurance
Company

Vice-Chairman

The Honorable Paul Murphy Presiding Justice, West Roxbury District
Court

Members

The Honorable Francis X. Bellotti Attorney General, Commonwealth of
Massachusetts

Designee: Mr. Stephen Delinsky Chief, Criminal Division, Office of the
Attorney General

Mr. William E. Boutwell President, Automobile Recyclers of
Massachusetts

The Honorable William M. Bulger President of the Massachusetts Senate

Designee: The Honorable Arthur J. Lewis Senate Chairman, Special Joint Committee
on Uniform Sentencing and Reform of
the Criminal Law Statutes

The Honorable Garrett H. Byrne Former District Attorney, Suffolk County

Chief William J. Carlin President, Massachusetts Chiefs of Police
Association

Superintendent Laurence J. Carpenter Metropolitan District Commission Police

Chief Edward A. Cloonan President, Fire Chiefs Association of
Massachusetts

Commissioner Dennis M. Condon Department of Public Safety, Common-
wealth of Massachusetts

Special Agent James J. Dunn, Jr. Federal Bureau of Investigation, Boston
Office

The Honorable Newman A. Flanagan	District Attorney, Suffolk County
<u>Designee:</u> Mr. Paul Buckley	First Assistant District Attorney
Mr. Paul W. Gilliland	President, National Auto Theft Bureau
Mrs. Margaret Haverty	Victim Representative
Commissioner William T. Hogan	Department of Corrections, Commonwealth of Massachusetts
Commissioner Joseph M. Jordan	Boston Police Department
The Honorable George A. Luciano	Secretary of Public Safety, Commonwealth of Massachusetts
Mr. Neil L. Lynch, Esq.	Chief Legal Counsel to the Governor
<u>Designee:</u> Mr. Dennis J. Curran	Assistant Legal Counsel to the Governor
Mr. Harry Martens	First Senior Vice President, Claims Division, Commercial Union Assurance Companies
The Honorable Thomas W. McGee	Speaker of the Massachusetts House of Representatives
<u>Designee:</u> The Honorable W. Paul White	House Chairman, Special Joint Committee on Uniform Sentencing and Revision of the Criminal Law Statutes
Mr. Richard E. McLaughlin	Registrar, Registry of Motor Vehicles, Commonwealth of Massachusetts
Charles A. Murray, III, Esq.	Representative - Criminal Defense Bar McGuire, Collias, and Horvitz, Inc., Fall River, Massachusetts
Commissioner Michael Sabbagh	Division of Insurance, Commonwealth of Massachusetts

The following persons appeared, from time to time, in behalf of the named representatives:

Mr. Herbert L. Burr
for
Registrar Richard E. McLaughlin

Superintendent Edward Connolly
for
Commissioner Joseph Jordan

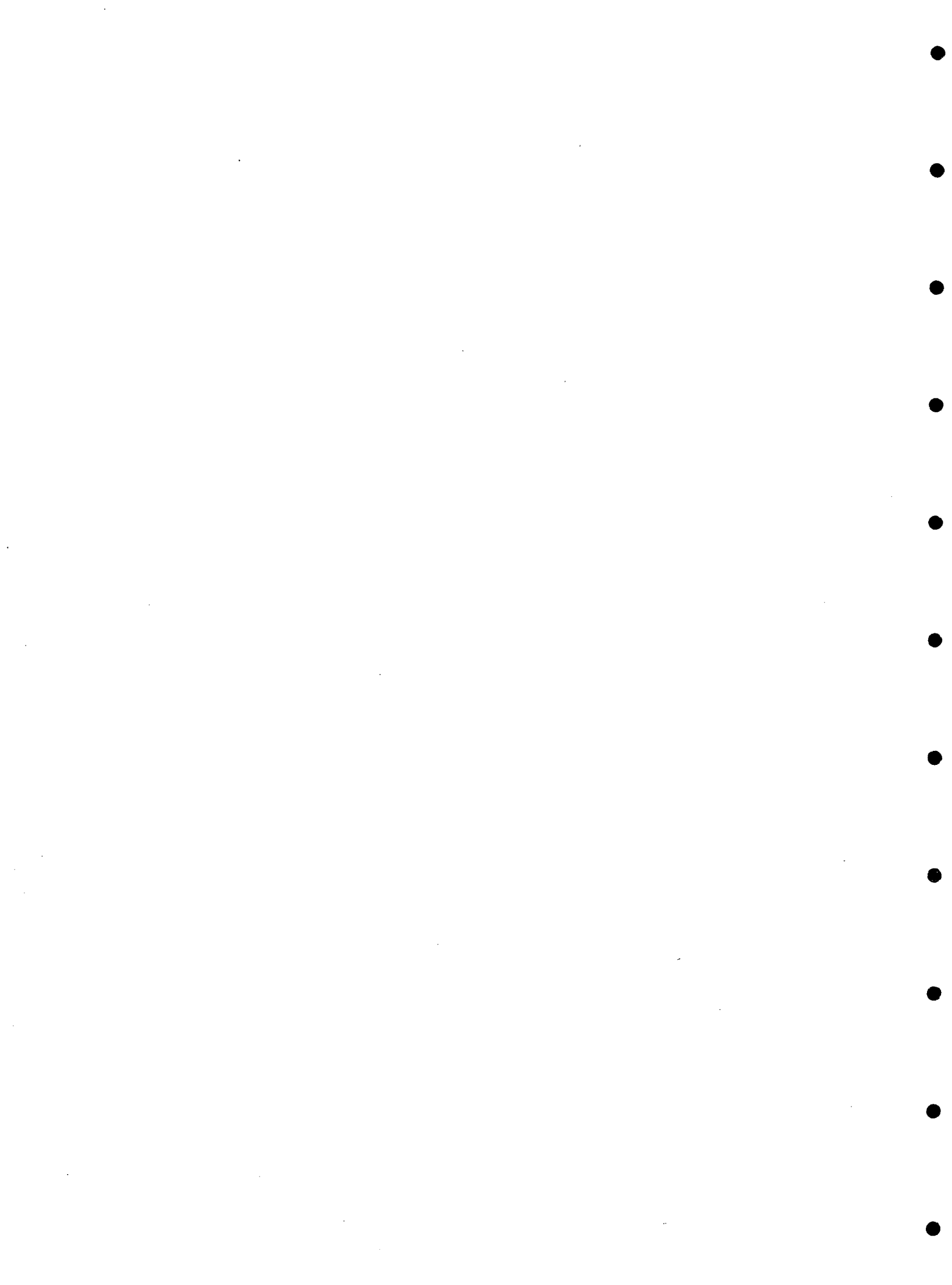
Special Agent Thomas Duhadway
for
Special Agent James Dunn

J. Kenneth Griffin, Esq.
for
Mr. Harry Martens

Ms. Judith Kelliher
for
The Honorable W. Paul White

Detective Thomas McCabe
for
Commissioner Joseph M. Jordan

Mr. William W. Neyman, Special Agent, Eastern District
for
Mr. Paul Gilliland



LAW ENFORCEMENT

SUBCOMMITTEE

Chairman

Chief John C. Kirwan Medford Police Department

Vice-Chairman

Chief James P. Cody Brockton Police Department

Subcommittee Members

Commissioner Joseph M. Jordan	Boston Police Department
Chief William J. Carlin	Swampscott Police Department
Chief John V. Polio	Braintree Police Department
Chief Bernard Fleming	Brookline Police Department
Chief Edward C. MacCafferty	Burlington Police Department
Chief Leo Davenport	Cambridge Police Department
Chief Abraham Burgin	Chelsea Police Department
Chief Henry Ramos	Fall River Police Department
Chief Arthur F. Martins	Framingham Police Department
Chief Alfred F. Donovan	Lawrence Police Department
Chief Leonard McPhail	Lowell Police Department
Chief S. Craft Scribner	Lynn Police Department
Acting Chief James M. Finn	Malden Police Department
Chief Joseph A. Pelletier	New Bedford Police Department
Chief William F. Quinn	Newton Police Department
Chief Francis X. Finn	Quincy Police Department
Acting Chief George Hurley	Revere Police Department
Acting Chief Albert Piro	Somerville Police Department
Chief Paul J. Fenton	Springfield Police Department
Chief Halstead Taylor	Worcester Police Department
Mr. Gary Egan, Director	Massachusetts Criminal Justice Training Council



LIST OF TABLES

<u>NUMBER</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
Table 1	National Cost Index - Motor Vehicle Theft	7
Table 2	Recovery Rate of Motor Vehicle Thefts In Massachusetts - By Population Size (1978)	9
Table 3	Average Value of Motor Vehicle Theft Related Offenses and Percent of Value of Stolen Vehicles Recovered 1967-1978	11
Table 4	Percent of Juvenile Arrestees Per Motor Vehicle Theft	14
Table 5	Percent of Juveniles Arrestees for Motor Vehicle Theft	14
Table 6	Percent of Adult Arrestees for Motor Vehicle Theft	15
Table 7	Probability of Arrest of Youthful Offenders	17
Table 8	Arrest Rates for Motor Vehicle Theft (1967-1978)	18
Table 9	Auto Theft Claims and Types Cost: Voluntary vs. Facility	25
Table 10	Auto Theft Insurance Claims in Massachusetts (1973-1978)	29

<u>NUMBER</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
Table 11	\$200 Deductible Comprehensive Premiums 1979 Chevrolet Caprice	30
Table 12	Rate of Incarceration: Comparative Ranking of 50 States (1977)	42
Table 13	Motor Vehicle Theft Rates for States by Charge Type (1978)	46
Table 14	Ranking of Auto Theft Rates by States and Their Penalty Status (Felony/Misdemeanor) 1978	47

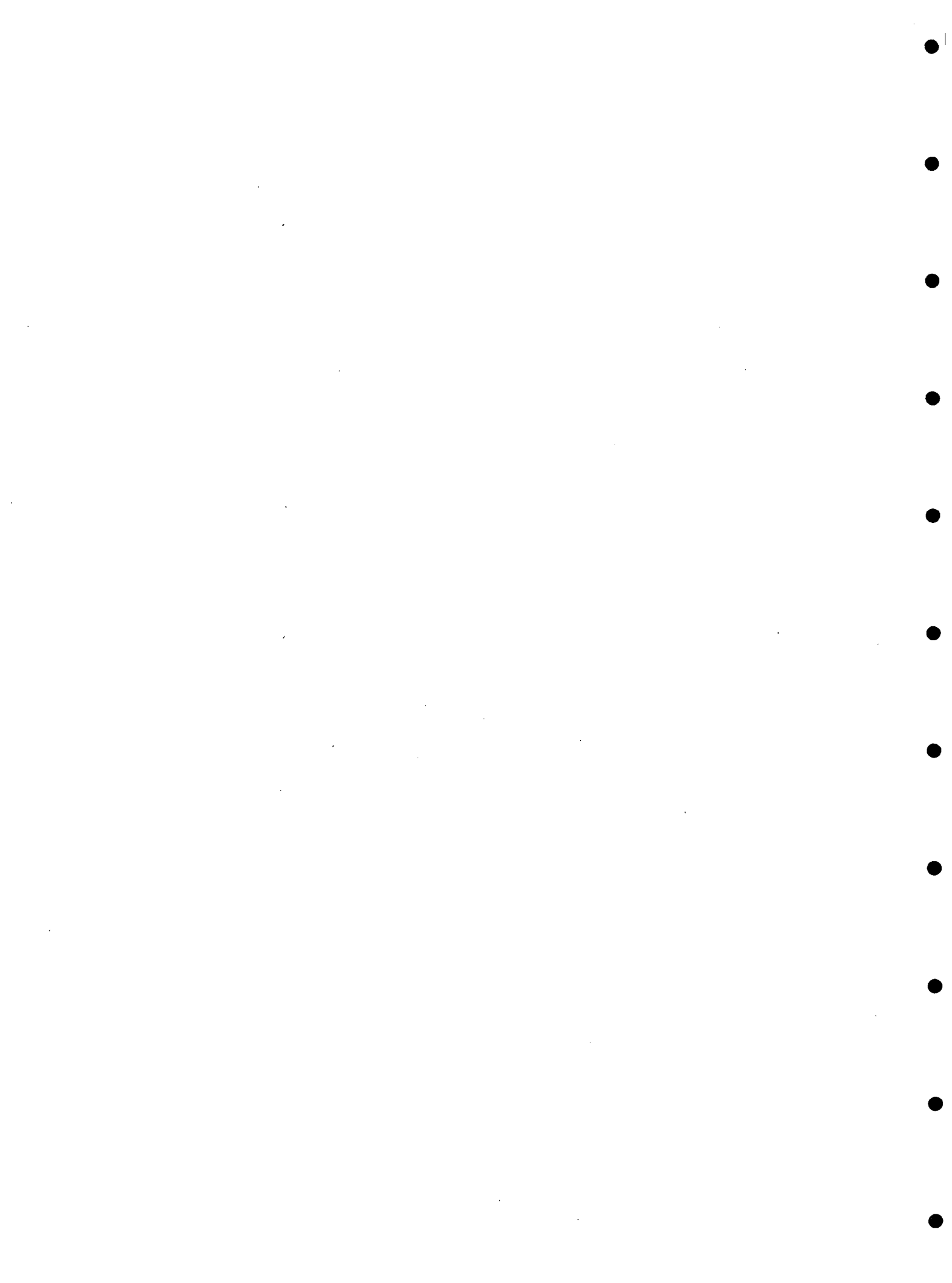
LIST OF FIGURES

<u>NUMBER</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
Figure 1	Motor Vehicle Theft Rate Comparison: Massachusetts, New England and United States	3
Figure 2	Motor Vehicle Theft Rate - Top Ten States (1969-1978)	4
Figure 3	Average Value of Motor Vehicle Stolen (1969-1978)	5
Figure 4	Cost Index of Motor Vehicle Theft in Massachusetts 1979	6
Figure 5	Age of Arrestees for Motor Vehicle Theft In Massachusetts	12
Figure 6	Motor Vehicle Theft Rate Comparison: Massachusetts, Five Highest Theft Rates and National Mean (1965-78)	20
Figure 7	Motor Vehicle Theft Rate Comparison: Massachusetts, Rhode Island, and California (1965-78)	21
Figure 8	The "Paper Car"	31
Figure 9	The Torched Car	32
Figure 10	Multiple Auto Theft Insurance Claims	33

<u>NUMBER</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
Figure 11	Car Insured Twice	34
Figure 12	Present Criminal Penalties for Auto Theft	39
Figure 13	Releases from the Department of Correction 1973-1977 For Motor Vehicle Theft - Time Served	44
Figure 14	Claims Experience With Special Investigative Units - Comparison With Motor Vehicle Theft Rate	62
Figure 15	Governor's Auto Theft Strike Force - Massachusetts State Police	78

EXHIBITS

<u>NUMBER</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
Exhibit 1	Salvage Certificate Sample	70
Exhibit 2	Standard Police Reporting Form for Motor Vehicle Theft	73
Exhibit 3	Public Awareness Campaign: "Stop Thief" Program Outline	84



ACKNOWLEDGEMENTS

The Task Force would like to express its appreciation to the following persons who served with distinction as staff support for our work: Brenda L. Gesing, Kathleen M. Gaffney, and Terence Gillan of the Governor's Legal Office; Ron Cobb, William Horgan, Marie Buchanan and Nicholas Mueller of the Executive Office of Public Safety; and Phil Aube, Tim Foley, Nancie Mossman, Joanne Quigley and Bruce Shepley of the Massachusetts Committee on Criminal Justice.

We would like to especially thank Mr. Steve Weglian, Auto Theft Legislation Specialist of the United States Department of Justice for his invaluable and outstanding contribution.

During January and February, 1980, many experts in the criminal justice field, representatives of private industry and concerned citizens testified before, and gave direct assistance to, the Governor's Task Force on Auto Theft. Governor Edward J. King and the members of the Task Force would like to take this opportunity to express their sincere appreciation to all those individuals.

•

•

•

•

•

•

•

•

•

•

•

THE COMMONWEALTH OF MASSACHUSETTS

**GOVERNOR'S TASK FORCE ON
AUTOMOBILE THEFT**

His Excellency Edward J. King
Governor of the Commonwealth
Executive Department
Boston, Massachusetts 02133

Dear Governor King:

I am pleased to submit for your consideration the final report of the Governor's Task Force on Automobile Theft.

When you appointed me Chairman of the Task Force, I realized that the job the Task Force was to perform would not be an easy one. Thankfully, through the hard work of the membership and the excellent staff support provided to us, we were able to finish our work within the time frame which was set forth in your Executive Order.

I know I speak for all of the Task Force members when I say that I am pleased to have been a part of this innovative project. The attached report is an excellent example of the type of work that can be accomplished through the cooperation of government and private industry.

I sincerely hope that this report meets your expectations as it did mine. Although the Task Force officially ends its work with the submission of this report, we must all realize that government, private industry and our citizens must continue to work together on this problem if we are to realize our goal of reducing auto theft in Massachusetts.

Sincerely,



Richard L. Malconian
Chairman,
Governor's Task Force
on Auto Theft

RLM:nm
Enc.



INTRODUCTION

In an effort to reduce Massachusetts' dubious distinction of being number one in the nation in the motor vehicle theft rate, Governor Edward J. King signed an Executive Order on December 4, 1979 establishing a Task Force on Automobile Theft. With an auto theft rate twice the national average, the Commonwealth is clearly confronted with a crisis of the first order.

The Task Force's mandate was to bring together, for the first time on a state level, the principal parties concerned with the auto theft problem. It was to conduct an intensive, immediate study of the problem, and submit its specific findings and recommendations to the Governor by February 29, 1980. The membership of the Task Force included federal officials, insurance experts, the judiciary, prosecutors, registry officials, state and local police and automobile trade association representatives. Additionally, for the first time ever in a state criminal justice planning unit, victims of this crime were formally represented on this panel.

Acting together, it was expected that the Task Force would reach a consensus on practical measures - both executive and legislative reform - that could be undertaken to significantly reduce the incidence of auto theft in the Commonwealth.

The Task Force conducted public hearings on January 16, 17, and 18, 1980. Its review was comprehensive - examining present investigative and enforcement resources, the prosecution and judicial response, the disposition of offenders, and finally, crime prevention and public education techniques.

At the conclusion of the public hearings, the Task Force examined four subject areas: the criminal justice system, insurance fraud, present titling and registration laws, and the police response. After this review, the Task force developed a series of findings and recommendations.

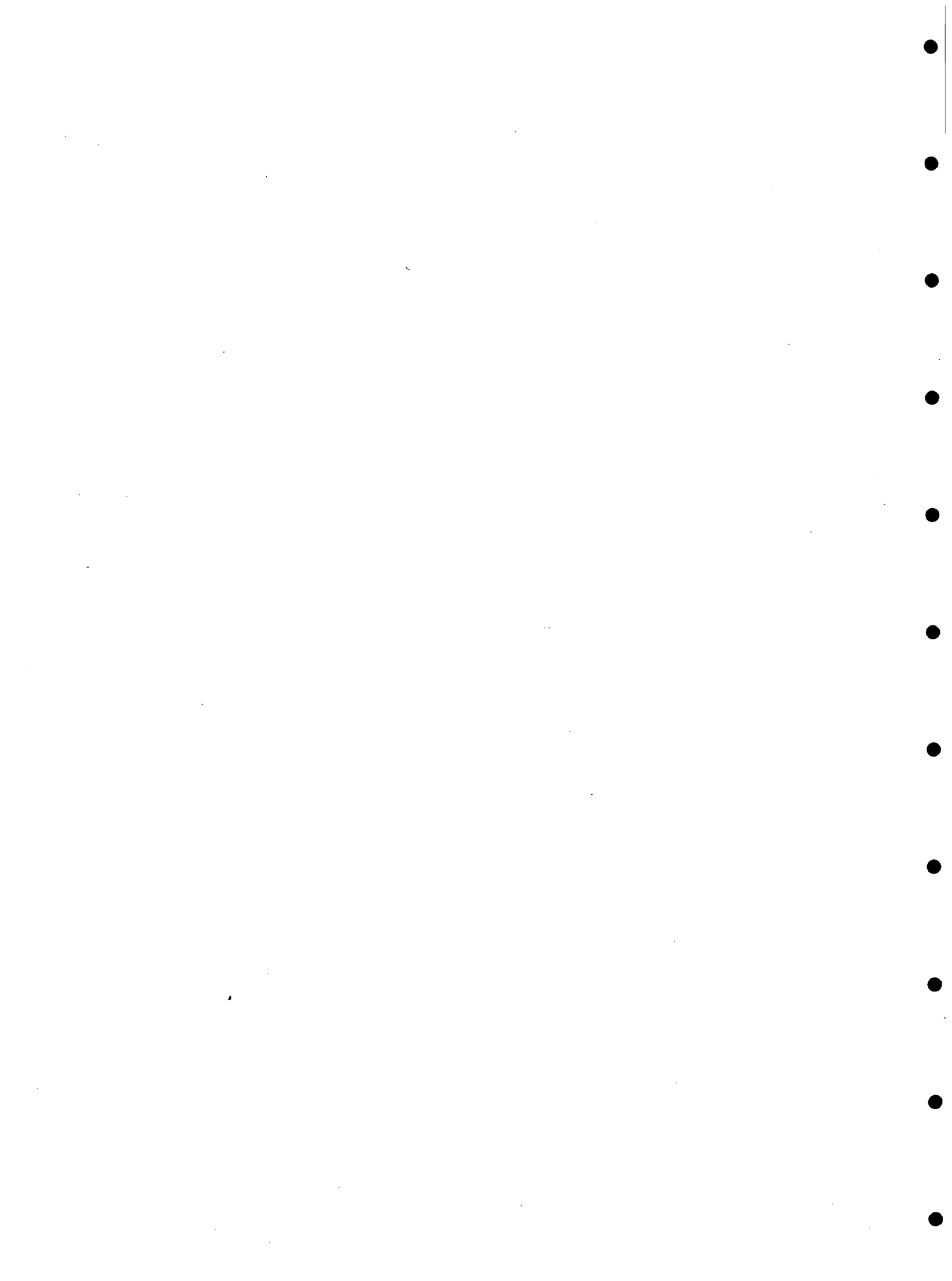
This report provides a summary of those findings and recommendations, together with specific legislative and executive reform proposals to carry those recommendations into effect. The Task Force hopes that the Governor concurs with our legislative recommendations and submits them for immediate action by the legislature.

The Task Force is confident that its recommendations, if adopted, will significantly reduce the incidence of auto theft and substantially diminish the profits reaped by professional and organized crime.

We hope that the legislature will recognize the gravity of the auto theft problem and take the necessary legislative steps to support the work of the Task Force. We also ask the judiciary to support the efforts of the Task Force and work toward a strengthening of respect for the administration of criminal justice.

The goals outlined in this report are not illusory. Our three branches of government, supported by private industry and our citizenry, can work together to create an attitude of respect for our laws and restore public confidence in our system of criminal justice. Our efforts are limited only by our imagination and our will.

We, therefore, issue a call to all citizens and public officials of the Commonwealth to join us in a comprehensive, all-out attack on automobile theft and fraud in the Commonwealth.



A SUMMARY

Automobile theft has reached a crisis stage in the Commonwealth. Last year, over 60,000 motor vehicle thefts were reported in our state one every eight minutes. Moreover, the Commonwealth has the dubious distinction of having the highest auto theft rate in the nation - a rate twice the national average. ✓

This crime is a cause of trauma, inconvenience, and unnecessary cost to the victim. And yet, the owners of stolen cars are not the only ones to suffer. Stolen cars are commonly used in the commission of other crimes. An abnormally high incidence of accidents stem from high-speed police chases caused by car thieves. Countless incidents of needless and tragic death and serious bodily injury result. Property is willfully and maliciously destroyed. For many persons, the loss of their automobile represents the loss of their most valuable possession. No one escapes paying for this crime - whether it be the victim who owns the car or other car owners who pay for the theft in increasing insurance premiums. The dollar implications are simply too large to ignore.

Nationally, the economic loss is staggering. Annually, Americans lose about 683 million dollars in stolen motor vehicles not recovered, nearly a billion dollars in insurance overhead related to auto theft, and over 60 million dollars for accidents involving stolen vehicles.

In Massachusetts, the annual losses related to motor vehicle theft are equally frightening. The annual cost of vehicles not recovered exceeds 50 million dollars. ✓ The loss of vehicles recovered but damaged or stripped for parts is more than 38 million dollars. Another 10 million dollars is lost annually in stolen contents and accessories.

Moreover, recovery rates have declined dramatically in recent years, and the resultant monetary loss to the public has steadily increased. The auto theft business has become increasingly dominated by professional auto theft rings. Indeed, in some areas of the country, mobsters are reportedly killing each other to ✓ monopolize the stolen car racket. Auto theft has become a crime that must be ranked with narcotics trafficking as a major national crisis.

In an effort to reduce Massachusetts' dubious distinction of being number one in the nation in the motor vehicle theft rate, Governor Edward J. King signed an Executive Order on December 4, 1979 establishing a Task Force on Automobile Theft. With an auto theft rate twice the national average, the Commonwealth is clearly confronted with a crisis of the first order.

The Task Force's mandate was to bring together, for the first time on a state level, the principal parties concerned with the auto theft problem. It was to conduct an intensive, immediate study of the problem, and submit its specific findings and recommendations to the Governor by February 29, 1980. The membership of the Task Force included federal officials, insurance experts, the judiciary, prosecutors, registry officials, state and local police and automobile trade association representatives. Additionally, for the first time ever in a state criminal justice planning unit, victims of this crime were formally represented on this panel.

The Task Force conducted public hearings on January 16, 17, and 18, 1980. Its review was comprehensive - examining present investigative and enforcement resources, the prosecution and judicial response, the disposition of offenders, and finally, crime prevention and public education techniques.

This Report provides a summary of the Task Force's findings and recommendations, together with the specific legislative and executive reform proposals to carry those recommendations into effect. The Task Force hopes that the Governor concurs with our legislative recommendations and submits them for immediate action by the legislature.

The Task Force is confident that its recommendations, if adopted, will significantly reduce the incidence of auto theft and substantially diminish the profits reaped by professional and organized crime.

CRIMINAL JUSTICE SYSTEM REFORM

Introduction

Over a century ago, Abraham Lincoln warned that when our laws are not enforced, the citizens..

"seeing their property destroyed, their families insulted, and their lives endangered...grow tired and disgusted with the government that offers them no protection."¹

Regrettably, we have reached the point in the Commonwealth where our citizens have lost confidence in the administration of criminal justice - and in particular, the adjudication of auto theft prosecutions. Our state ranks 46th in the nation in its rate of incarcerating convicted criminals. Indeed, it is difficult for a criminal - no matter how determined he is - to get into jail.

According to the statistics, the odds are all in his favor. Car thieves in Massachusetts stand only one chance in six of getting caught; and two of every three caught never spend a day in jail after conviction.

It is time to return to the fundamental recognition that the paramount duty of the government is to enforce its laws - to protect its citizens' homes and property, their persons and their lives. If it fails in this basic duty, government is not redeemed by providing even the most perfect system for the protection of the rights of defendants in the criminal courts.

Moreover, it is time to fundamentally change the public and the criminal justice system's attitude toward automobile theft. Auto theft, like burglary, is mistakenly and euphemistically termed a "crime against property". It is not. It is a crime against the person in every sense of that phrase, because that car represents a substantial part of the victim's life. For some, it represents their livelihood - or a means toward earning their livelihood. For all, it represents a portion of their life - time spent working to pay for the car, time from vacations never taken, from home improvements never made, from education never undertaken. In short, the theft of a car should be seen for what it is - an enormous affront to the individual - depriving him of a part of his life.

Auto theft is a unique crime, because so often it is the first step in a criminal career - the first exposure to the criminal justice system. For many, that experience presently results in a positive reinforcement of criminal behavior. For repeat offenders, well-meaning, but misguided institutional compassion encourages other forms of criminal behavior often resulting in aggressive, violent criminal acts against the person.

¹Abraham Lincoln, The Perpetuation of our Political Institutions, 1838.

Yet, the young offender is only part of the picture. In the past decade, auto theft has changed dramatically in character. Ten years ago, "joyriders" constituted the bulk of the problem. Today, it is the professional car thief. The fact is that organized crime has discovered car thievery as a lucrative source of income. It runs a multi-million dollar, tax free industry - specializing in the "chop-shop", the steal-to-order parts racket, and sophisticated insurance fraud schemes. Automobile theft has become a high profit, low risk industry.

Organized theft rings now dispose of stolen vehicles through the so-called "salvage vehicle switch", by which title and identification plates from a wrecked or disassembled vehicle are switched to a stolen car.

"Chop-shops" account for an ever-increasing percentage of thefts - evidenced by our sharply declining recovery rates. No sooner is a car stolen and taken off the street, than, within minutes, it is cut up by specially-trained crews working with the speed and precision of speedway pit crews. The dramatic surge of such activity is due, in large part, to economic factors - the astronomical rise of replacing damaged car parts, and the delay in receiving new body parts from the factory. A recent study by the Alliance of American Insurers, for example, reports that the parts of a standard 1979 automobile are worth $4\frac{1}{2}$ times as much as the assembled car - \$26,418 for all the parts as opposed to \$5,741 for the vehicle as a whole.

The Commonwealth's number one crime demands the best counter-measures that government and the private sector can offer. We need a well-coordinated battle plan to control motor vehicle theft throughout the Commonwealth.

One thing is clear, however - the joyride is over.

But our legislative initiative must result in certain changes in the criminal justice system.

Our laws must be clear; they must be enforceable; and most importantly, they must be tough. The message to auto thieves must be strong - that he and his confederates will be stopped, and that when he is arrested, he will be arrested quickly, and the courts will deal with him appropriately.

Moreover, we must seek to cut the profit of organized car theft and put the professional car thief out of business.

And finally, we must recognize that certainty of punishment - not severity - is the cornerstone of an effective criminal justice system.

Findings

The Task Force finds that auto theft is a crime characterized by an extraordinarily high repeat offender rate. At the Task Force public hearings, one car thief admitted to stealing over 5,000 cars and being arrested 15 times. Another told of stealing 8,000 cars and being arrested five times but never convicted. ✓

The Task Force, therefore, endorses a new sentencing approach which would leave untouched judicial discretion for dealing with first offenders, but would authorize short, sure jail sentences for habitually-convicted adult car thieves. ✓

As recent studies have found, mandatory sentencing for firearms violations has been proven to be a significant crime deterrent. Indeed, the number of actual crimes deterred is impressive - a total reduction of 782 gun robberies by 1976.¹ Establishing a mandatory jail term for habitual car thieves will, most surely, have the same effect.²

In statistical terms, Massachusetts ranks 46th in the nation in its rate of incarcerating convicted criminals (See Table 12). In practical terms, the criminal population know full well how the Commonwealth treats them. As the Task Force heard in its public hearings, in testimony from a professional car thief:

A. I will say they are a whole lot lenient in Massachusetts than they are in other states. I would rather stay here and steal than go somewhere else.

Q. So there is some feeling that here in Massachusetts we are very lenient toward this particular crime?

A. Yes. It's like a pat on the back and go out and do it again.

It is absolutely critical to emphasize that the Task Force is not seeking an increase in statutory penalties for auto theft. The present legislatively-determined penalties are sufficient - what is really required is fortitude on the part of some members of the judiciary to impose authorized terms of incarceration on repeat offenders. Mandatory sentencing gives them that fortitude.

¹ "The Impact of the Bartley-Fox Law on Gun and Non-Gun Related Crime", Northeastern University, 1979.

² It should be noted that mandatory jail terms will apply only to adult offenders, not juveniles.

Felony/Misdemeanor Distinction

There appears to be a popular misconception about the present charging status (e.g., felony or misdemeanor) of auto theft offenses and a belief that upgrading auto theft to a felony will significantly reduce the incidence of auto theft. Nothing could be further from the truth.

First, and¹ most importantly, auto theft is already a felony in the Commonwealth.

Second, a popular misconception exists that the reason why the Commonwealth has such a high auto theft rate is because, unlike nearly all other states, Massachusetts classifies auto theft as a felony. Again, nothing could be further from the truth. The overwhelming majority of states - 34 of them - treat auto theft as a misdemeanor.

Third, a review of the laws of other states demonstrates conclusively that there is absolutely no correlation between a state's motor vehicle theft rate and whether the offense is characterized as a felony or misdemeanor. Indeed, of the ten states with the lowest motor vehicle theft rate in the nation, all but two treat it as a misdemeanor.

It should be quite clear, then, that the popular notion that auto theft be made a "felony" is an unfortunate battlecry not based on actual knowledge of the law and which would not result in any real diminution of auto theft. The key, quite obviously, to controlling auto theft in the Commonwealth is certainty of punishment - mandatory jail terms imposed for habitual criminals.

With these goals in mind, the Task Force recommends the following legislative proposals:

- Elimination of the disposition of "continuance without a finding" and "filing" of a criminal charge. Require a mandatory finding of guilt or innocence.
- Mandatory jail sentence of 30 days for second offenders convicted of unauthorized use, five months for subsequent offenders. NOTE: Mandatory sentencing shall apply only to adult offenders, not juveniles.

¹ The only exception to this rule is the first-time unauthorized use offender. Since the only practical effect of "felonizing" an offense is to send a convicted person to state prison, making a first offender subject to a state prison sentence would only result in youthful offenders sent to M.C.I. Walpole, where only the most hardened criminals await them.

- . A mandatory jail term of one year for habitually-convicted car thieves. (Again, this provision shall apply only to adult offenders).
- . No suspended sentence, parole, furlough or early release shall exist for second and subsequent offenders.
- . Create a new criminal offense for those car thieves who engage in the high speed police chase. Require that any prison time imposed on such offenders be served after any other sentence imposed or presently being served.
- . Mandatory restitution for all persons convicted of unauthorized use or larceny of a motor vehicle. Restitution may be authorized for insurers.
- . Provide clear statutory authority to police officers to seize a motor vehicle or vehicle parts which they have reason to believe has been stolen or had its identifying numbers altered or damaged.
- . Enact a new statute to allow a Certificate of Title to suffice as evidence of ownership in the vehicle. Also, authorize the court to take the owner's testimony at arraignment or at the first day of trial, subject to cross-examination by defendant.

CRIMINAL INSURANCE FRAUD

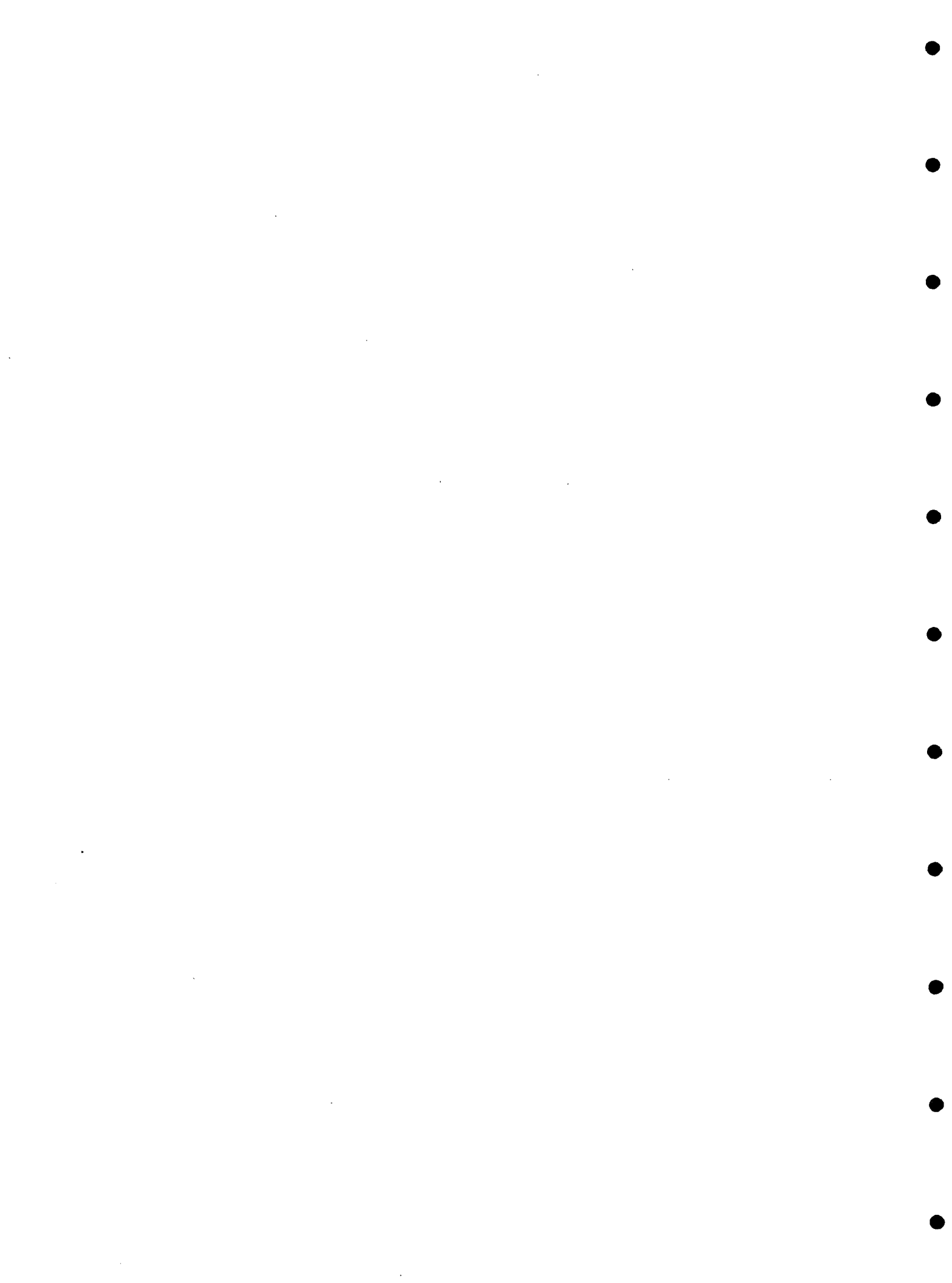
Introduction

The Task Force finds that fraudulent theft - where the insured is knowingly involved in the alleged theft of his own automobile for the purpose of defrauding the insurance company, often with criminals providing services for a fee - is one of the fastest growing causes of theft. Industry sources estimate that up to 25% of all reported thefts are fraudulent. In Massachusetts, this means that over 12 million dollars is paid out by the insurance companies and their policyholders each year for fraudulent or phony claims - one million dollars a month.

The Task Force further finds that the present automobile insurance system in the Commonwealth of Massachusetts encourages fraud and dishonesty and guarantees high profits to criminals involved in fraudulent automobile theft schemes. There is no reason why Massachusetts consumers must continue to pay tribute to professional and amateur auto thieves and dishonest policyholders.

Massachusetts need not have the highest rate for theft insurance in the nation. Something must be done about insurance system-induced automobile theft and fraud. A first step is to realize that auto theft is not exclusively a criminal justice problem. A thorough, immediate examination of our present insurance regulatory structure is warranted.

Massachusetts' inordinately high auto theft rate is caused, in part, by certain regulatory "reforms" imposed on the insurance industry within the last decade.



Massachusetts Mandatory Offer Law

Through the mandatory offer law, the Commonwealth compels insurance companies to sell coverage to all motorists at a standard price set by the Commissioner of Insurance.

Prior to the introduction of the mandatory offer law, motorists with a history of multiple automobile theft claims encountered considerable difficulty in obtaining optional comprehensive coverage. Company underwriters could readily spot such motorists and decline to sell the optional coverage to them.

Motorists who abuse the insurance process by repeatedly filing fraudulent theft claims are immune from dollar surcharges under our merit rating law. The surcharges apply only to collision and property damage liability claims, and not to comprehensive (theft) coverage.

As a matter of public policy, it is one thing to invoke the mandatory offer where compulsory liability coverages are concerned. After all, these coverages reimburse the innocent victim in the event of bodily injury or property damage caused by the negligence of another. When considering steps to improve Massachusetts' notorious automobile theft problem, however, we must question the justification for extending the mandatory offer concept to non-compulsory comprehensive insurance, notwithstanding the number of theft claims on a motorist's record.

The incentive for rampant automobile theft and fraud is deeply ingrained in the present regulatory structure, which has proven to be ineffectual and irresponsible in Massachusetts. Corrective action can be achieved only through relaxing the mandatory offer law so that companies can exercise common-sense underwriting judgement in issuing optional comprehensive coverage.

The Massachusetts Motor Vehicle Reinsurance Facility

The Massachusetts Motor Vehicle Reinsurance Facility, created in 1974, serves two functions: (1) it provides immediate coverage to motorists who, for a variety of reasons, are not underwritten by the insurance companies voluntarily; and (2) it distributes among the companies the cost of providing such a market.

A sizeable segment of the Facility's population is comprised of motorists whose claim records, particularly relating to automobile theft, are so forbidding that company underwriters have declined to accept their accounts through the regular insurance market. A company, rather than being forced to issue high-risk coverage at inadequate prices by the state, is forced to use the Facility as an escape hatch for business they know will generate tremendous losses. To do otherwise would be contrary to sound business practices.

The fact is that a Reinsurance Facility aggravates specialized problems like auto theft by removing valuable cost-saving incentives from the auto insurance market. This is because the cost of claims incurred by Facility motorists are shared among all companies making up the membership - based on each company's share of the state-wide premium volume. Even though a company may place an applicant in the Facility, it is still required to service the account, collect the premium and investigate and adjust losses that may arise. This pooling of losses has not worked out well - for either the companies or motorists in the regular market - the latter group being those who must inevitably absorb the massive Facility deficits.

The fact is that in the six-year history of the Facility, simple economics of the loss pool concept have projected insurance companies into an untenable role in the Massachusetts automobile theft picture. By requiring that Facility losses be shared on an industry-wide basis, the state has created a powerful financial disincentive for companies to investigate their Facility claims with the same vigilance they bring to bear on claims arising from their non-Facility business. All too often, where automobile theft has been concerned, investigation of Facility claims has been superficial or non-existent.

There have been exceptions to this general rule. A few major companies have already introduced special programs which have aggressively pursued and investigated all of their theft claims - Facility and otherwise. These efforts have been astonishingly effective in reducing theft losses. As to Facility claims, however, these insurers have found their success abated by having to pick up their share of the losses of other companies through the Facility's deficit-funding operations.

Findings

The Task Force finds that the mandatory offer law and present Facility claim practices are substantial contributing factors to the inordinately high auto theft rate in the Commonwealth. As evidence thereof, a recent American Insurance Report has been examined and accepted by the Task Force. This Report is referred to the Insurance Commissioner to be used by him in his consideration of needed changes in the mandatory offer law and Reinsurance Facility to support control and reduction of automobile theft in the Commonwealth.

The Task Force further finds that the present insurance system in the Commonwealth actually encourages automobile theft, and indeed, rewards thieves based on their measure of success. A variety of criminal schemes - examples of which follow - are stimulated by our regulatory environment.

Automobiles which never existed - "paper cars" - are registered and insured solely for the purpose of collecting insurance money after reporting the car stolen. This practice may account for a substantial number of automobile thefts each year in Massachusetts. In a sample taken from the files of one insurance company, of 400 new policyholders who had purchased automobile theft coverage, an investigation revealed that 15 percent of the automobiles involved did not exist and were insured solely with the purpose of defrauding the company.

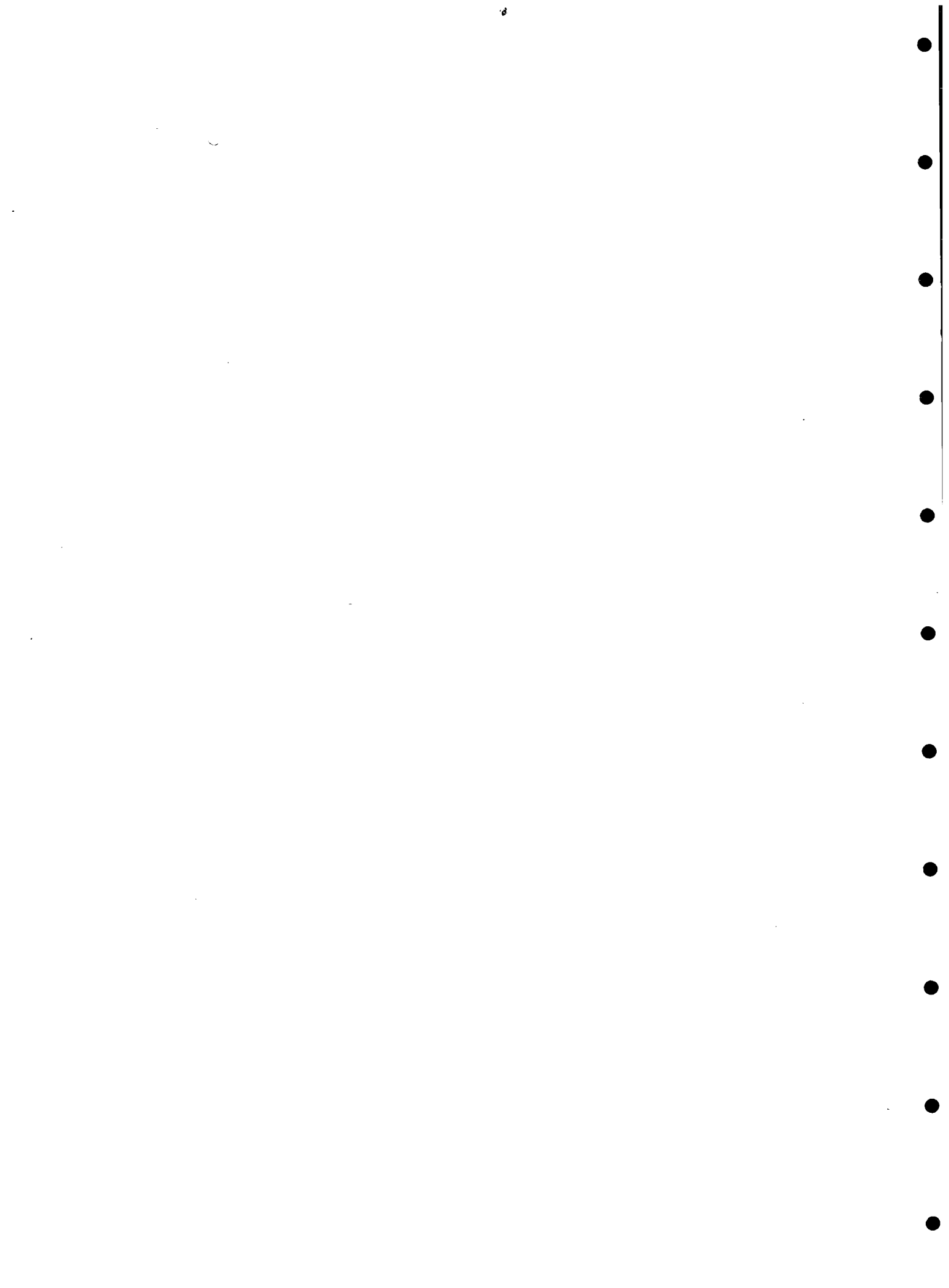
Cars are "torched" solely to collect insurance money. In the first six months of 1979, 1,300 cars in Massachusetts were reported as burned.

Finally, multiple thefts are reported. An owner will insure his car with two or more insurance companies at the same time insurance purchased solely with the purpose of defrauding an insurer.

These examples demonstrate why the Commonwealth has the highest auto theft rate in the nation and the staggering economic losses associated with that fact. Yet the Task Force is convinced that Massachusetts need not be the auto theft capital of the nation. Implementing the desperately-needed changes in our criminal justice system and regulatory environment that the Task Force recommends can and will have a substantial impact on the automobile theft rate in Massachusetts.

Recommendations

- . Reform present regulatory practices within the Division of Insurance to allow insurance companies to deny comprehensive insurance coverage, when appropriate, based on material statements by the insured in an application for insurance for the filing of a claim.
- . Enactment of a statutory requirement which would create a central auto theft index file and require that all insurance companies report all total auto theft claims to the National Auto Theft Bureau.
- . Assignment of a manager of each insurance company claim office as liaison person with police and district attorney's offices concerning all auto theft and insurance fraud investigations.
- . Enact a new criminal offense and provide mandatory sentences for those repeatedly convicted of making a false written report of an automobile theft to a police department.
- . Enact a new criminal offense and provide mandatory sentences for those repeatedly convicted of making a false written report of an insurance theft to an insurance company or agent.
- . Amend the so-called "arson reporting statute" to grant immunity to providers of information from tort liability or for invasion of privacy, liable, or slander.
- . Amend present insurance regulations to authorize the inspection of automobiles prior to the issuance of comprehensive fire and theft insurance where information contained on the insurance application indicates the possibility that the automobile is non-existent.



TITLING AND REGISTRATION LAWS

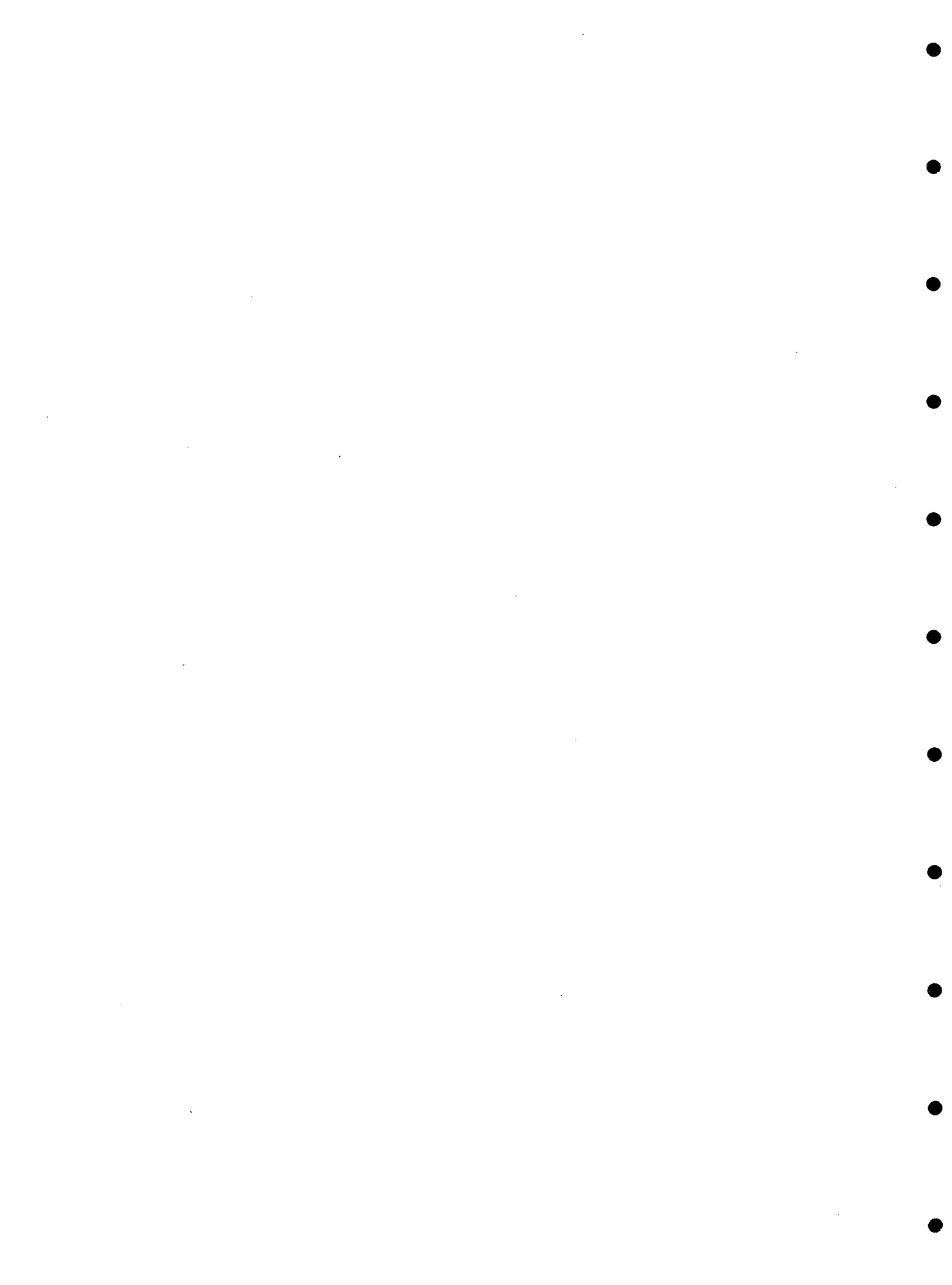
Introduction

The Task Force finds that the distribution and sale of stolen motor vehicles and vehicle parts in the Commonwealth vitally affects the general economy of the state, the public interest and the general welfare. The Task Force further finds that the law enforcement community has practically total lack of control in our jurisdiction over the operation of motor vehicle salvage and scrap processing operations. Police cannot enter onto the premises of these dismantlers, shredders, and compactors without a search warrant - a cumbersome and unwieldy process. The Task Force further finds that the Commonwealth's utter lack of control over this aspect of the motor vehicle is a wide open invitation to all manner of skulduggery - car theft, title substitution, destruction of evidence, etc. There is every good reason to suspect that dead human bodies are disposed of in scrap processing operations from time to time.

In this regard, the Task Force specifically finds that - unwittingly or not - some vehicle recyclers and scrap processors are involved in these criminal practices. To be sure, there are many honest and reliable persons in such trades.

With regard to scrap processors, the Task Force especially finds - again, unwittingly or not - that such operations significantly facilitate the trafficking in stolen motor vehicles by serving as a ready disposal for evidence of such operations. Further, the Task Force specifically finds that scrap processors are not manufacturers, and as such, can and must be subject to state administrative controls.

The Task force is mindful of the vehement, and almost vitriolic objection on the part of the scrap processors' trade association to any statutory law enforcement controls, but finds that the paramount duty to the protection of the public overrides such criticism. In short, there is no legitimate reason why our law enforcement agencies should not have a statutory right of access onto the premises of scrap processors during reasonable business hours. Moreover, there is no legitimate reason why scrap processors should not be subject to certain, limited record-keeping requirements. The protection of the properties of the public demands as much.



Licensing and Regulation of Vehicle Recyclers and Scrap Processors

The Task Force, therefore, finds it imperative that in order to prevent the trafficking in stolen vehicle parts and to prohibit irresponsible, unreliable or dishonest persons from engaging in the salvage business, the Commonwealth, in the exercise of its police power, license and regulate vehicle recyclers and scrap processors doing business in the Commonwealth. This licensing structure would: (a) require vehicle recyclers and scrap processors to obtain a permit before conducting business; (b) require the keeping of certain records; and (c) permit inspection of records and inventory during reasonable business hours.

The Salvage Vehicle "Switch"

Salvage motor vehicles - especially late model ones - are being purchased for prices which far exceed the legitimate value of the salvage. These high prices are paid to obtain two items which immeasurably facilitate the fencing operation of stolen car rings - the certificate of title and the vehicle identification plates.

A stolen motor vehicle is readied for fencing in the legitimate market place by substituting the title and VIN of a salvage vehicle for those of the stolen vehicle.

To help defeat the salvage title "switch", the Task Force recommends enactment of a salvage title law which would assist in establishing proof of ownership, provide a vehicle audit trail, and most importantly, remove the standard title document from the marketplace so that it cannot be used for illegal vehicle transactions.

A salvage titling process would require the owner of a salvage vehicle to surrender the original title, provide for issuance of a salvage title, and require an insurer to surrender the original certificate of title for a salvage vehicle which it acquires. To convey the vehicle, an owner obtains a "salvage certificate" from the Registry for a small fee and then transfers title to the salvage vehicle by assigning the salvage certificate to the purchaser.

Twenty-one states presently follow this practice of issuing a salvage title certificate or a permit to dismantle after receiving the certificate of title from the owner.

The Task Force further recommends, among other measures, that the public VIN plate not be removed from the salvage vehicle. Presently, Massachusetts is one of the few states to require the removal of the VIN plate when a vehicle is being scrapped. There is almost universal agreement that the better practice is to require that the VIN plate remain on the vehicle right through the crushing process.

Reporting Procedures

The Task Force recommends that the Commonwealth establish a standard reporting procedure for all police departments upon the theft or misappropriation of a motor vehicle. This would entail three changes in present practices.

First, the Task Force recommends that a standard reporting form be used by all city and town police departments in the Commonwealth.

A second requirement would be the filing by the car owner of a written report with local police of the theft of a vehicle. The filing of a false written report would be made a new criminal offense with short, sure jail sentences for repeat offenders.

Finally, the Task Force recommends that upon a theft or misappropriation of a motor vehicle, the local city or town police department enter the theft into the LEAPS computer system as expeditiously as possible.

THE LAW ENFORCEMENT RESPONSE

The law enforcement community must develop a cooperative effort and an increased commitment of resources in combatting automobile theft. In particular, cooperation among local, state and federal law enforcement agencies is essential to insure success in this endeavor because organized car thieves do not respect geographical or political boundaries.

Auto Theft Squads

The Task Force recommends that there be a reallocation of resources within local and state law enforcement agencies to establish specialized auto theft officers or squads when resources permit. Such reallocation will, of course, vary greatly among communities because of such factors as city or town size, manpower resources, budgetary constraints and other law enforcement needs.

The Task Force recognizes, however, that auto theft has become a million dollar racket and as such, cannot be beaten by a "nickel and dime" operation. We, therefore, suggest full funding for all increased law enforcement programs recommended by this Report.

The Task Force makes the following recommendations:

- establish a State Police Auto Theft Unit (see Figure 1);
- beef up the Registry of Motor Vehicles Auto Theft Squad by increasing the number of Registry Inspectors assigned to this unit by not more than 25 persons (if feasible); and
- upgrade police training in all areas relating to the investigation and enforcement of auto theft.

PUBLIC AWARENESS CAMPAIGN

A massive public awareness campaign is a necessary first step in addressing the auto theft problem. All segments of society must be made aware that car theft involves much more than merely "joyriding", that it has increasingly become an organized and highly lucrative business which takes the form of "chop-shops", insurance frauds, salvage switches and various other schemes.

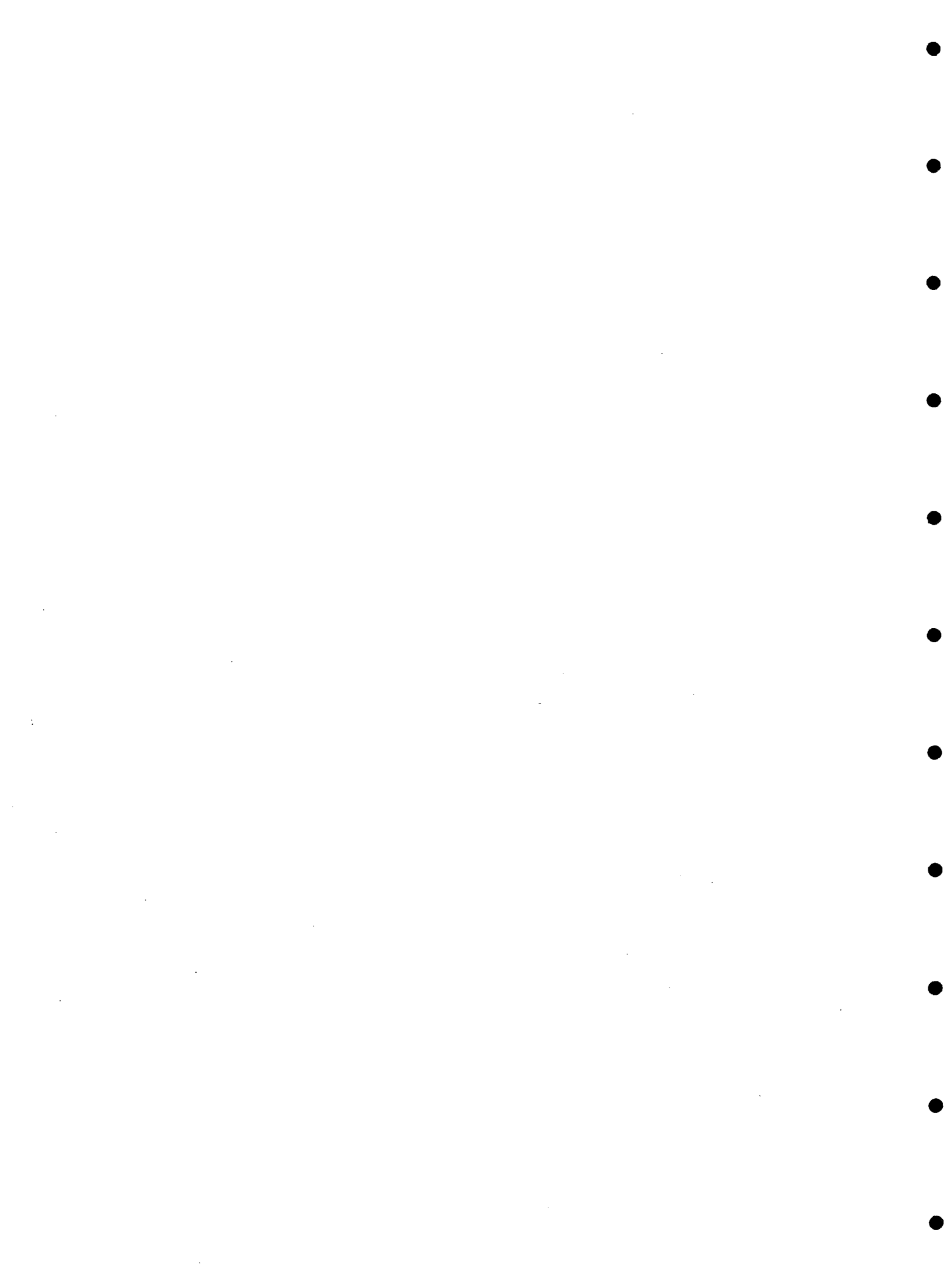
This would entail a statewide, multiyear awareness campaign prepared and implemented by the Massachusetts Crime Prevention Bureau in cooperation with the Executive Office of Public Safety, the National Auto Theft Bureau, the Massachusetts Registry of Motor Vehicles, the automobile insurance industry and other organizations.

Conclusion

We hope that the legislature will recognize the gravity of the auto theft problem and take the necessary legislative steps to support the work of the Task Force. We also ask the judiciary to support the efforts of the Task Force and work toward a strengthening of respect for the administration of criminal justice.

The goals outlined in this Report are not illusory. Our three branches of government, supported by private industry and our citizenry, can work together to create an attitude of respect for our laws and restore public confidence in our system of criminal justice. Our efforts are limited only by our imagination and our will.

We, therefore, issue a call to all citizens and public officials of the Commonwealth to join us in a comprehensive, all-out attack to eliminate root and branch automobile theft and fraud in the Commonwealth.



COMMONWEALTH OF MASSACHUSETTS

By His Excellency

EDWARD J. KING
Governor

EXECUTIVE ORDER NO. 170

GOVERNOR'S TASK FORCE ON AUTOMOBILE THEFT

WHEREAS, the problem of automobile theft has reached a critical dimension in the Commonwealth; and

WHEREAS, automobile theft is a cause of severe inconvenience and unnecessary cost to the victim; and

WHEREAS, the distribution and sale of stolen automobiles significantly affects the economy of the Commonwealth, the public interest and the public welfare; and

WHEREAS, it is imperative that a comprehensive, all-out attack on automobile theft and fraud be initiated to preserve the investments and properties of our citizens and to preserve the peace and safety of the public;

NOW, THEREFORE, I, Edward J. King, Governor of the Commonwealth, by virtue of the authority vested in me as Supreme Executive Magistrate, do hereby order as follows:

1. There is hereby created a Committee, to be known as the Governor's Task Force on Automobile Theft, to consist of twenty-one (21) members who shall serve without compensation. The members of the Committee shall be appointed by the Governor and shall serve at his pleasure.

The following persons shall serve as ex officio members of the Committee: The Attorney General, the Secretary of Public Safety, the Commissioner of Public Safety, the Registrar of Motor Vehicles, the Chief Legal Counsel to the Governor, the Commissioner of Insurance, the Commissioner of Corrections, the President of the Massachusetts Chiefs of Police Association, the Superintendent of the Metropolitan District Commission Police, the Special Agent in charge of the Federal Bureau of Investigation - Boston Office, and the District Attorney of Suffolk County, or their respective designees.

The membership of the Committee shall consist of the following: the President of the Massachusetts Senate, or his designee, the Speaker of the Massachusetts House of Representatives or his designee, a member of the judiciary, the Police Commissioner of the City of Boston, the President of the National Auto Theft Bureau, and the President of the Automotive Distributors and Recyclers of America - Massachusetts Chapter, or their respective designees. A representative of the Massachusetts-based insurance companies, a victim of the crime of automobile theft (including "unauthorized use"), a member of the general public, and a member of the Massachusetts Bar with experience in defending persons accused of automobile theft shall also be members of the Committee.

From the membership, the Governor shall designate a Chairperson and Vice-Chairperson. Any vacancies which may occur shall be filled by the Governor in the same manner as the prior appointment.

2. The Committee is authorized and directed to advise the Governor on specific, concrete recommendations to dramatically decrease the incidence of automobile theft in the Commonwealth. The Committee shall have, at a minimum, the following functions and responsibilities:

- A. To research and analyze the statutes of the Commonwealth relating to:
 - (1) criminal penalties for offenders convicted of automobile theft (including "unauthorized use", insurance fraud and all other larcenous activities relating to motor vehicles);
 - (2) the disposition of said offenders;
 - (3) the improvement of the administration of justice relating to automobile theft prosecutions;
 - (4) the revision of motor vehicle titling laws to curtail certificate of title fraud;
 - (5) the licensing of dealers in salvage motor vehicles.
- B. To undertake a coordinated executive, legislative and judicial response to the problems; and
- C. To stimulate public interest in this problem and effectuate legislative and executive reform to diminish the crime rate attributable to automobile theft.

3. The Committee shall form a Law Enforcement Subcommittee to be composed of the Police Commissioner of the City of Boston, the President of the Massachusetts Chiefs of Police Association and the Chiefs of Police of the following communities: Braintree, Brockton, Brookline, Burlington, Cambridge, Chelsea, Fall River, Framingham, Lawrence, Lowell, Lynn, Malden, Medford, New Bedford, Newton, Quincy, Revere, Somerville, Springfield and Worcester. The Executive Director of the Massachusetts Criminal Justice Training Council shall serve as an ex officio member of this Committee. The Chairperson and Vice-Chairperson of such Subcommittee shall be appointed by the Chairperson of the Governor's Task Force on Automobile Theft. This Subcommittee is charged with the responsibility of developing a cooperative effort and an increased commitment of resources in combatting automobile theft on the part of the Commonwealth's law enforcement community.

4. The Committee may form other subcommittees from its own membership and is authorized to call upon any secretariat, office, department, board, commission, council or other agency of the executive branch of state government under my jurisdiction and any officer, member or employee thereof, to supply such statistical data, program reports and other information and materials as the Committee deems necessary or appropriate to perform its work, and they are authorized and directed to cooperate with the Committee and to furnish it with such information or assistance in connection with such reviews and analysis and in connection with effecting such recommendations as may be developed for the implementation itself.

5. In view of the critical nature of the problem and the need for immediate action, it is requested that the Committee conduct its affairs as expeditiously as possible.

6. The Committee shall submit a written report to the Governor of its findings and recommendations together with drafts of legislation necessary to carry its recommendation into effect. Said report shall be filed with the Governor not later than February 29, 1980.

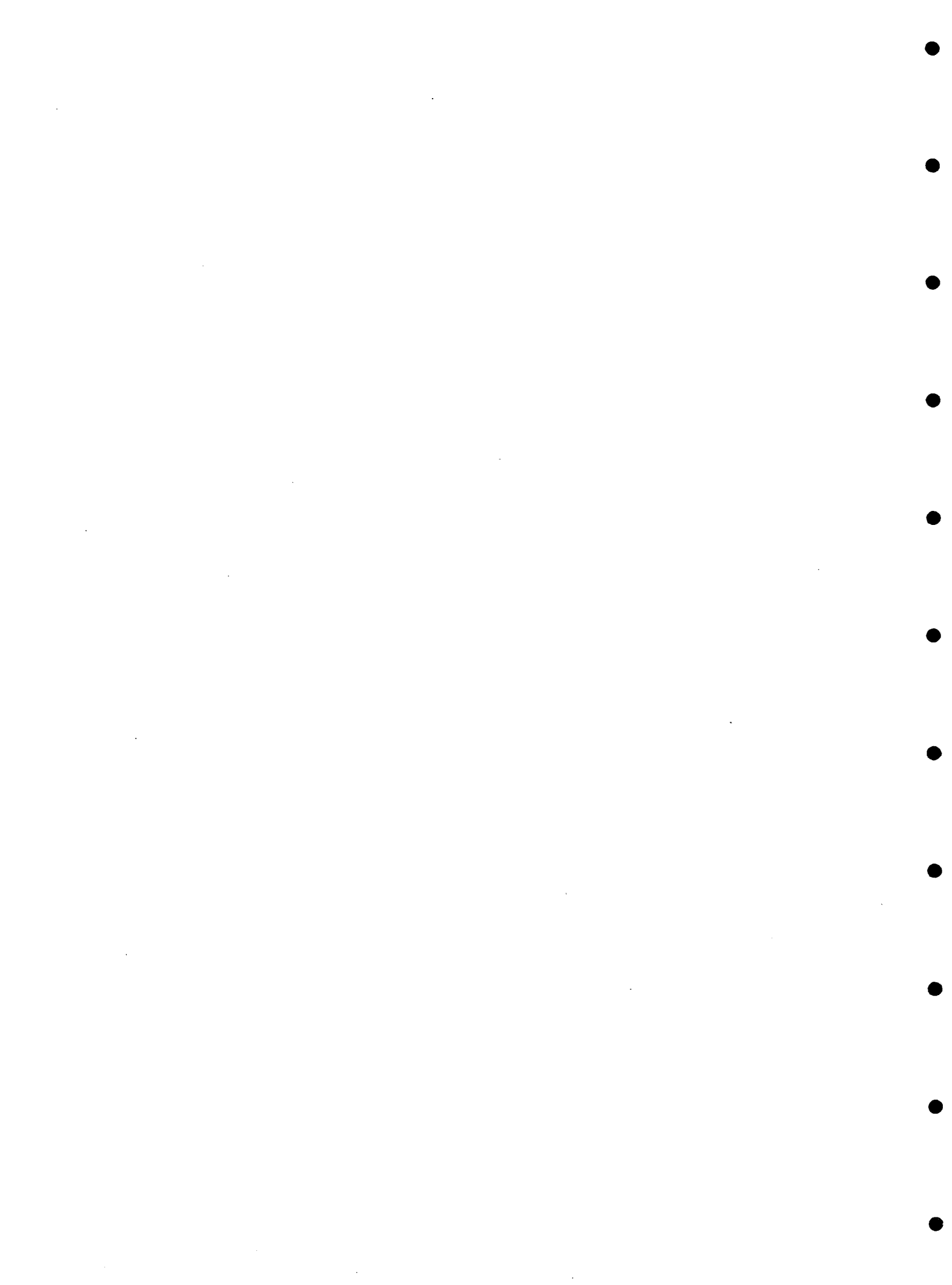
7. This Order shall take effect immediately and shall continue in force through February 29, 1980, unless extended by the Governor for an additional period of time.

Given at the Executive Chamber in
Boston this
day of
in the year of Our Lord one thousand
nine hundred and seventy-nine and of
the independence of the United States
of America two-hundred and four.

EDWARD J. KING
GOVERNOR
Commonwealth of Massachusetts

Secretary of the Commonwealth

GOD SAVE THE COMMONWEALTH OF MASSACHUSETTS



COMMONWEALTH OF MASSACHUSETTS

By His Excellency

EDWARD J. KING
Governor

EXECUTIVE ORDER NO. 171

GOVERNOR'S TASK FORCE ON AUTOMOBILE THEFT

NOW, THEREFORE, I, Edward J. King, Governor of the Commonwealth do hereby amend Executive Order No. 170 by increasing the membership to twenty-three members. One of the additional members shall be the President of the Fire Chiefs Association of Massachusetts or his designee and there shall be an additional representative of Massachusetts-based Insurance Companies making their membership to consist of two members.

This Order shall take effect immediately.

Given at the Executive Chamber in
Boston this
day of
in the year of Our Lord one thousand
nine hundred and seventy-nine and of
the independence of the United States
of America, two-hundred and four.

EDWARD J. KING
GOVERNOR

Secretary of the Commonwealth

GOD SAVE THE COMMONWEALTH OF MASSACHUSETTS



TASK FORCE FINDINGS

FINDINGS:

CRIMINAL JUSTICE SYSTEM

Introduction

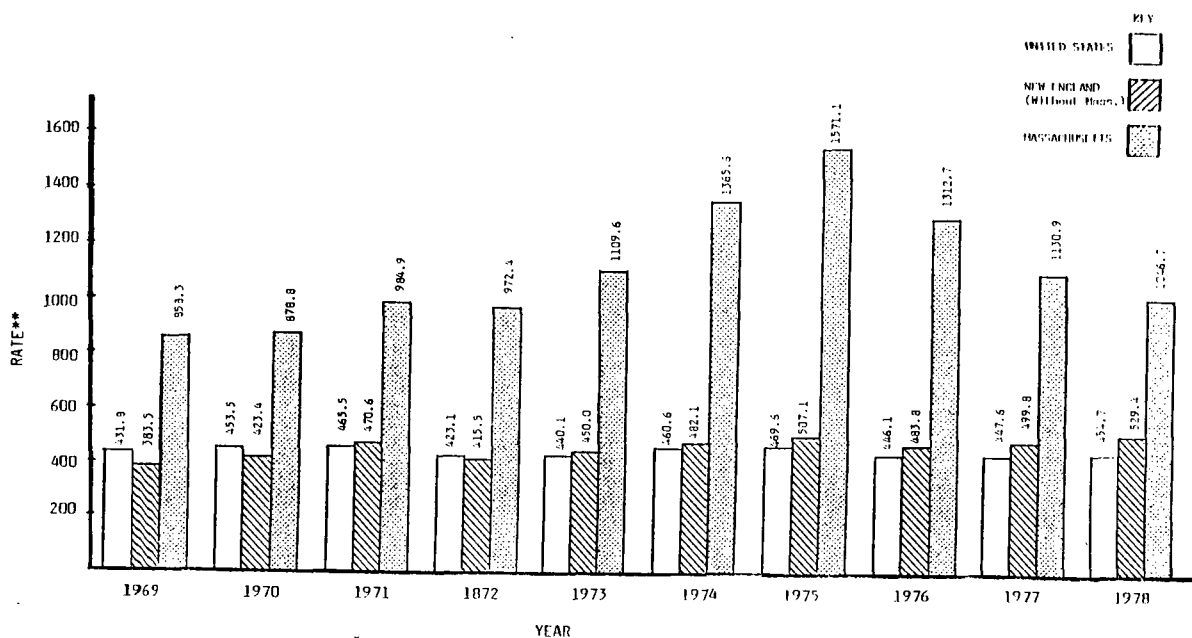
The Task Force finds that automobile theft has reached a crisis stage in the Commonwealth. Last year, over 60,000 motor vehicle thefts were reported in our state - one every eight minutes. The incidence of motor vehicle theft is rising rapidly and the monetary loss to the law-abiding citizens of the Commonwealth resulting from motor vehicle theft has been increasing annually. The monetary value of the motor vehicles stolen in Massachusetts last year reached nearly one hundred million dollars. Because of the high rate of motor vehicle theft, premiums for comprehensive motor vehicle insurance in Massachusetts are the highest in the nation.

The Task Force further finds that the owners of stolen automobiles are not the only ones to suffer from motor vehicle theft. Stolen automobiles are commonly used in the commission of other crimes. Additionally, an abnormally high incidence of accidents stem from high speed police chases caused by car thieves. Such actions result in willful and malicious damage to property and countless incidents of needless and tragic death and serious bodily injury.

Incidence of Crime

The magnitude of the motor vehicle theft problem in Massachusetts can be highlighted by pointing out that in 1978 the Commonwealth had the highest automobile theft rate in the nation.* In fact, Massachusetts has had the highest rate in the nation for each year in the last decade. Figure 1 shows the relationship between the Massachusetts motor vehicle theft rate, the rate for the remaining New England States as a group, and the United States from 1969 through and including 1978.

FIGURE 1
COMPARATIVE MOTOR VEHICLE THEFT RATES
1969-1978
UNITED STATES, NEW ENGLAND AND MASSACHUSETTS



* Source: 1. FBI Crime in the United States 1969-1976
2. Commonwealth of Massachusetts, Department of Public Safety, Crime Reporting Unit, Crime in Massachusetts, 1977 and 1978

** Rate is equal to number of reported incidents per 100,000 population.

* Unless otherwise noted, all references to rate are equivalent to the numbers of reported incidents of motor vehicle theft in a given jurisdiction per 100,000 population.

As noted in Figure 1, the motor vehicle theft rate in Massachusetts has ranged from just under two to well over three times greater than that of either the nation as a whole or the remainder of the New England states.

Moreover, a list of the top ten states in motor vehicle theft discloses a serious and growing regional problem. Connecticut, Rhode Island and Massachusetts all fall within the top half-dozen states in the nation, with theft rates significantly above the national average (see Figure 2). The Task Force, therefore, finds that interstate theft involving motor vehicles poses a serious threat to the economic well-being of the New England region and to the protection of properties and safety of the citizens of these states.

FIGURE 2
1978
MOTOR VEHICLE THEFT -
TOP TEN STATES

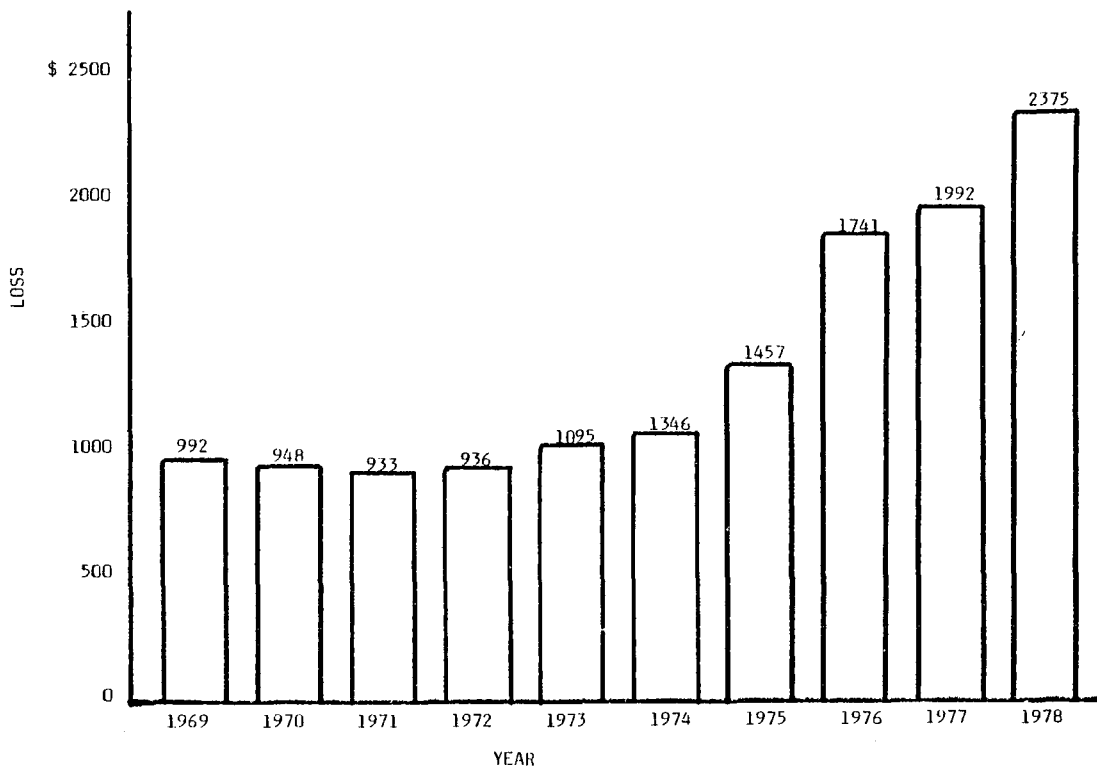
<u>RANK</u>		<u>UNIFORM CRIME RATE PER 100,000 POPULATION</u>
1	MASSACHUSETTS	1095.6
2	RHODE ISLAND	807.2
3	CALIFORNIA	691.3
4	NEW YORK	672.0
5	ALASKA	661.5
6	CONNECTICUT	654.9
7	NEVADA	601.7
8	HAWAII	570.8
9	NEW JERSEY	560.6
10	MICHIGAN	525.9

SOURCE: F.B.I. - U.C.R.

Financial Cost Of Automobile Theft

Automobile theft is not only a cause of trauma and inconvenience, but also of unnecessary cost to the victim. For many persons, the loss of their car represents the loss of their most valuable possession. With the average value of a stolen motor vehicle at \$2,375, the dollar implications of this crime are simply too large to ignore. (See Figure 3).

FIGURE 3
MOTOR VEHICLE THEFT
AVERAGE DOLLAR LOSS PER THEFT IN U.S.
1969 - 1978



SOURCE: F.B.I. - U.C.R.

In Massachusetts, the annual cost of vehicles not recovered exceeds 50 million dollars. The loss of vehicles recovered but damaged or stripped for parts is more than 38 million dollars. Another 10 million dollars is lost annually in stolen contents and accessories. (See Figure 4). Statewide, losses related to motor vehicle theft approach 100 million dollars annually.

FIGURE 4
 COST INDEX OF MOTOR VEHICLE THEFT
 MASSACHUSETTS
 (First Half - 1979)

VALUE OF VEHICLES NOT RECOVERED	\$25,017,930
LOST VALUE OF RECOVERED VEHICLES	\$19,049,748
VALUE OF STOLEN CONTENTS	\$ 3,672,078
VALUE OF STOLEN ACCESSORIES	\$ 1,498,281
<hr/>	
TOTAL VALUE LOST	\$49,238,037

SOURCE: F.B.I. - U.C.R.

DEPT. OF PUBLIC SAFETY - C.R.U.

Nationally, the magnitude of the economic loss and the seriousness of the problem are staggering. A national economic cost index of motor vehicle theft tells a frightening story.

Auto theft is a multi-billion dollar a year criminal activity nationally. Conservatively estimated, Americans lose about 683 million dollars annually in stolen vehicles not recovered, nearly a billion dollars in insurance claims paid out for auto theft, a quarter of a billion dollars for insurance overhead related to motor vehicle theft, and over 60 million dollars for accidents involving a stolen vehicle. (See Table 1).

TABLE 1
HARD COSTS OF
MOTOR VEHICLE RELATED THEFTS

	VEHICLES	CONTENTS/ACCESSORIES	TOTAL
Value of Reported Thefts	\$1,667,181,600	\$459,643,000	\$2,126,844,600
Value of Unreported Thefts	Unknown	Unknown	Unknown
Value of Recovered Thefts	983,637,140	45,918,336	1,029,655,476
Value of Unrecovered Thefts	683,544,460	413,724,660	1,097,269,120
Criminal Justice Systems Costs	208,600,000	734,441,520	943,041,520
Insurance Overhead Costs	143,373,490	Unknown	143,373,490
Accident Costs ¹	60,600,000	None	60,600,000
Total	\$1,096,117,950	\$1,148,166,180	\$2,244,284,130

¹ Use of stolen vehicles accounts for 134 traffic deaths and 1,339 personal injuries each year.

Source: United States Department of Justice,
 Criminal Division
 March, 1978.

Nature of the Offense

Motor vehicle theft disguises several differing forms of the offense. Although each form is officially recorded as one theft, the nature of the offense differs widely. These categories of motor vehicle theft are:

- a. Offender Initiated:
 - 1. thefts in which various parts or accessories are subsequently removed or stripped from the vehicle;
 - 2. thefts in which the entire vehicle is subsequently dismantled and resold as parts, e.g., "chop-shops";
 - 3. thefts in which the entire vehicle is resold in a jurisdiction where the risk of detection is minimal or non-existent; and
 - 4. joyriding.

- b. Owner Initiated:
 - 1. thefts in which the owner arranges to have the vehicle stolen and collects the insurance payment; the vehicle is subsequently re-sold, stripped or burned by the "offender";
 - 2. thefts which technically do not occur in that the owner sells the vehicle in a "safe" jurisdiction and then reports it as stolen thereby collecting insurance payments; and
 - 3. thefts which can be considered as "paper thefts" in that no real vehicle is stolen; an individual insures and then reports as stolen a vehicle with accompanying VIN which is either fictitious or belongs to another person.

R

No definitive statistics exist which can identify the relative frequencies of the categories shown above. There are, however, several measures which do shed a limited amount of light on the issue.

Table 2 represents the rates by which stolen motor vehicles are recovered by law enforcement agencies in Massachusetts. The individual cities and towns are grouped together by population size.

TABLE 2
MOTOR VEHICLE THEFT RECOVERY
RATES OF THE CITIES AND TOWNS GROUPING OF
MASSACHUSETTS
1978*

CITY AND TOWN GROUPINGS BY POPULATION SIZE	NUMBER STOLEN	NUMBER RECOVERED**	PERCENT RECOVERED
Boston	17,716	13,126	74.1
100,000 - 250,000	10,122	8,241	81.4
50,000 - 100,000	10,990	8,170	74.3
25,000 - 50,000	9,905	7,294	73.6
10,000 - 25,000	5,103	3,782	74.1
2,500 - 10,000	1,461	1,149	78.6
Less Than 2,500	120	93	77.5
TOTAL	55,417***	41,855	75.5%

* Source: Registry of Motor Vehicles

** "Number Recovered" represents those vehicles which are recovered which were originally stolen in a particular jurisdiction.

*** Attempted motor vehicle thefts are excluded

As noted in Table 2, approximately three out of every four cars which were stolen in 1978 were recovered. Such a high rate of recovery would initially lend weight to the theory that the Commonwealth is plagued by a significant joyriding problem. However, a stolen vehicle may be considered "recovered" if the vehicle or any portion thereof containing a legible vehicle identification number (VIN) is found or turned over to the authorities. Thus, it is possible for a vehicle to be stripped of parts and accessories to a significant degree and, if it still maintains a readable VIN, qualify as "recovered".

With this in mind, it can be said that of all the vehicles stolen in 1978, 75.5% were recovered intact, damaged by accident, stripped to some degree or burned by arson. As mentioned above, we know of no way to determine the relative frequencies of these categories of motor vehicle theft.*

Additionally, of the 24.5% of stolen vehicles which were not recovered, there is no way to determine how many were totally stripped, resold in "safe" jurisdictions or were thefts of "paper vehicles".

* During the first six months of 1979, 1,292 cases of "arson of a motor vehicle" were reported to law enforcement agencies in Massachusetts. The portion of these which were initially reported as stolen is unknown. Source: Department of Public Safety Crime Reporting Unit.

x
Look at recovery values for non MV
theft

We do know, however, that both the recovery rate and the value of stolen vehicles recovered have declined significantly in recent years. For example, recovery rates have dropped from 85-88% for 1977-78 to 75% for 1979. Additionally, the percentage of the value of stolen motor vehicles recovered is down 29.5% since 1967. (See Table 3).

TABLE 3
AVERAGE VALUE OF MOTOR VEHICLE THEFT RELATED
OFFENSES AND PERCENT OF VALUE OF STOLEN MOTOR
VEHICLES RECOVERED FROM 1967-1978

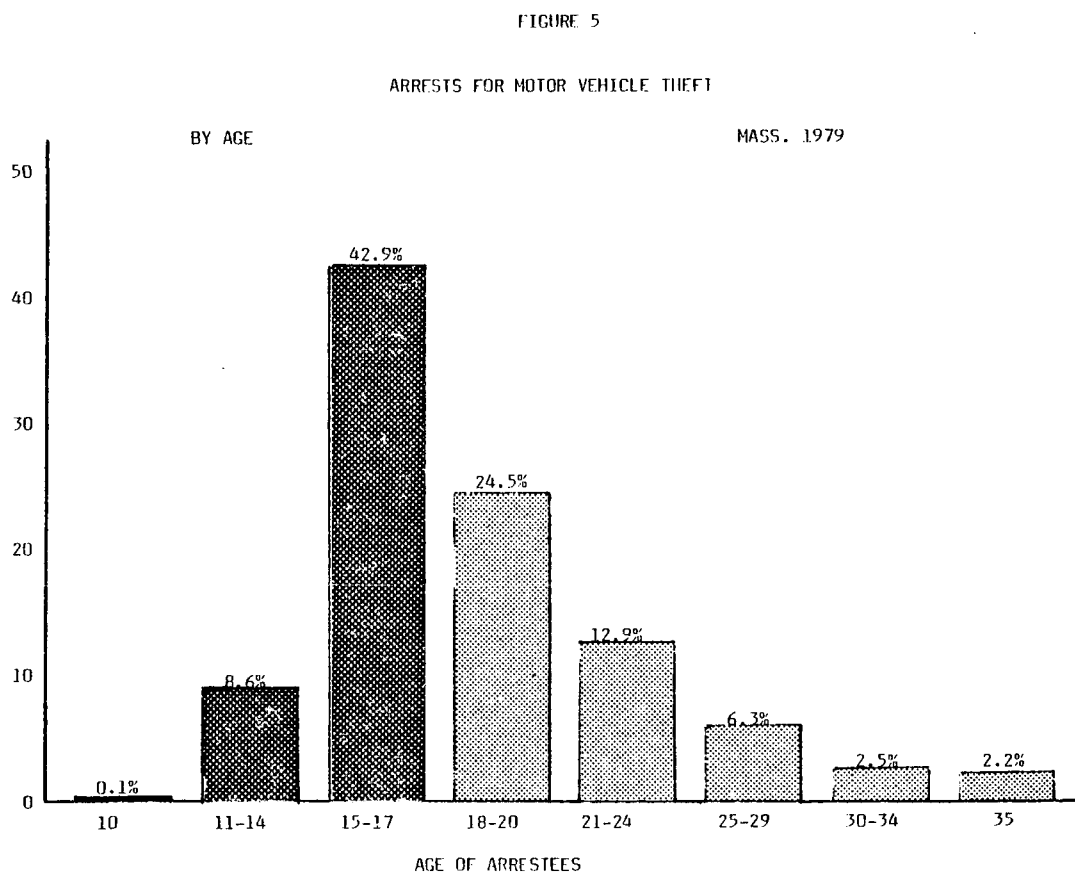
YEAR	AVERAGE VALUE OF MOTOR VEHICLE THEFT	AVERAGE VALUE OF CONTENTS THEFT	AVERAGE VALUE OF ACCESSORIES THEFT	PERCENT OF THE VALUE OF STOLEN MOTOR VEHICLES RECOVERED
1967	\$1,017	\$136	\$ 50	86
1968	991	142	59	85
1969	992	146	65	80
1970	948	139	69	77
1971	933	149	67	74
1972	936	149	65	74
1973	1,095	160	73	72
1974	1,246	180	85	66
1975	1,457	207	108	62
1976	1,741	216	134	59
1977	1,992	231	128	60
1978	2,325	254	139	60.6

OBSERVATIONS:

- (1) Average value of a stolen motor vehicle is up 112.3% since 1973
- (2) Recovery percentage of the value of stolen motor vehicles is down 29.5% since 1967.
- (3) The increase in the percent of the value of stolen motor vehicles recovered from 60 in 1977 to 60.6 in 1978 is 1.0%. This compares to a decrease of 8.5% for the recovery by law enforcement of all other forms of stolen property excluding motor vehicles in 1978. Overall, the recovery rate for the value of stolen property, other than the motor vehicle decreased from 11.8% in 1977 to 10.8% in 1976. The motor vehicle continues to lead by a high margin the stolen item likely to be recovered by law enforcement.

Arrestees

Figure 5 presents information regarding the age of persons apprehended for their part in the theft of a motor vehicle in the Commonwealth.



SOURCE: DEPT. OF PUBLIC SAFETY - C.R.U.

Whether arrest/apprehension data depicts the age groupings of persons who are actually committing motor vehicle thefts remains an open question. Many persons are not arrested for their role in motor vehicle thefts and, this, of course, is not reflected in these figures. Of those who are arrested, a handful may, in fact, be responsible for a majority of the incidence of the crime. In other words, it is possible, but not necessarily the case, that 50% of all motor vehicle thefts are committed by juveniles. All that can be said is that approximately 50% of the individuals who are taken into custody for motor vehicle theft are juveniles.

Figure 5 shows that the largest grouping of individuals taken into custody were juveniles between 15 and 17 years of age - approximately half of all of those arrested.

Adults who were arrested tend to be young: generally one out of four of these adults was between the ages of 18 and 20 years inclusive. As the age groupings increased, i.e., persons became older, the relative frequency of arrestees per grouping decreased. Several theories might be helpful in explaining this inverse relationship. First, joyriding, which theoretically constitutes a significant portion of motor vehicle thefts, is generally believed to be a youth-oriented method of "getting kicks". Given the rather unorganized and spontaneous nature of the crime, it is very likely that the risk of apprehension is quite high when viewed against other forms of auto theft, e.g., profit-motivated activity.

Another possible explanation might be the rather non-professional characteristics of youthful offenders. Assuming that juveniles and young adults are still in the process of "learning from their mistakes", they could have been arrested with greater frequency than older and supposedly wiser offenders.¹

¹A third and rather simplistic possibility is that motor vehicle thefts were actually being committed by juveniles and younger adults and that the relative frequencies of the age groupings are accurate depictions of the total population of offenders.

Although auto theft is a crime whose arrestees are young, the percent of juveniles arrested has declined steadily. Over the last twelve years, juvenile arrests per theft were down 45.3%. (See Table 4).

TABLE 4
PERCENT OF MOTOR VEHICLE THEFTS FOR
JUVENILES (UNDER 18) WERE
ARRESTED

<u>YEAR</u>	<u>THEFT RATE</u> <u>PER 100,000</u>	<u>ARREST RATE OF JUVENILES</u> <u>PER 100,000</u>	<u>PERCENT OF JUVENILES</u> <u>ARRESTED PER THEFT</u>
1967	334.1	50.1	15.0
1968	393.0	52.3	13.3
1969	436.2	50.7	11.6
1970	456.8	47.1	10.3
1971	459.8	44.6	9.7
1972	426.1	40.7	9.6
1973	442.6	43.1	9.7
1974	462.2	44.1	9.5
1975	469.4	36.6	7.8
1976	446.1	33.2	7.4
1977	447.6	37.6	8.4
1978	454.7	37.4	8.2

OBSERVATION:

- (1) In this twelve year period juvenile arrests per theft is down 45.3%

The percent of those arrested who were juveniles is down 18.3%. (See Table 5).

TABLE 5
PERCENT OF THOSE ARRESTED FOR MOTOR
VEHICLE THEFT WHO WERE JUVENILES (UNDER 18)

<u>YEAR</u>	<u>TOTAL ARRESTED RATE</u> <u>PER 100,000</u>	<u>JUVENILE ARREST</u> <u>RATE PER 100,000</u>	<u>PERCENT OF THOSE</u> <u>ARRESTED WHO</u> <u>WERE JUVENILES</u>
1967	81.0	50.1	61.9
1968	86.2	52.3	60.7
1969	87.4	50.7	58.0
1970	84.0	47.1	56.1
1971	84.2	44.6	53.0
1972	76.0	40.7	53.6
1973	76.4	43.1	56.4
1974	80.1	44.1	55.1
1975	67.1	36.6	54.6
1976	63.1	33.2	52.6
1977	70.9	37.6	53.0
1978	74.0	37.4	50.6

OBSERVATIONS:

- (1) Total arrest rate over twelve year period is down 8.6%
- (2) Juvenile arrest rate over twelve year period is down 25.3%
- (3) Percent of those arrested over twelve year period who are juveniles is down 18.3%
- (4) Total arrest rate is up 17.3% in 1978 as compared to 1976 and 4.4% as compared to 1977.

Correspondingly, the percent of those arrested for motor vehicle theft over the same period who were adults is up 29.7%. (See Table 6).

TABLE 6
PERCENT OF THOSE ARRESTED FOR
MOTOR VEHICLE THEFT WHO WERE
ADULTS (18 OR OVER)

YEAR	TOTAL ARREST RATE PER 100,000	ADULT ARREST RATE PER 100,000	PERCENT OF THOSE ARRESTED WHO WERE ADULTS
1967	81.0	30.9	38.1
1968	86.2	33.9	39.3
1969	87.4	36.7	42.0
1970	84.0	36.9	43.9
1971	84.2	39.6	47.0
1972	76.0	35.3	46.4
1973	76.4	33.3	43.6
1974	80.1	36.0	45.0
1975	67.1	30.5	45.4
1976	63.1	29.9	47.4
1977	70.9	33.3	47.0
1978	74.0	36.6	49.4

OBSERVATION:

- (1) The percent of those arrested for motor vehicle theft over the twelve year period who were adults is up 29.7%

For young offenders, auto theft serves as a training ground for a professional career in crime. A recent United States Department of Justice-sponsored study of career criminals disclosed that:

"Following a conventional pattern, [habitual criminals] progressed from predominantly auto theft and burglary in the juvenile period to a greater proportion of robberies and forgeries in the adult years."

Auto theft is the forerunner of a criminal life. This was amply demonstrated by the criminal records of six selected youthful offenders, which the Task Force examined, who committed two bank robberies in 1976. The first offender had a total of 47 charges, 9 of which were for auto thefts. The second had been charged with 23 crimes, 8 of which were motor vehicle thefts. The third - 46 charges, 13 of which were for auto theft. The fourth offender - 62 charges, 5 of which were for auto theft. The fifth defendant - 36 charges, 13 auto theft. And finally, the last offender had accumulated a record of 35 charges, 4 of which were for auto theft.

Rate of Arrest

x

The Task Force adopts the following findings of two studies confirming the inordinately high repeat offender rate of auto thieves.

"The number of crimes is not proportionate to the number of offenders, rather that the majority of Auto-Theft (sic) crimes are perpetrated by a much smaller number of offenders."

Table 7 reports the result of a recent Justice Department study on the probability of arrest of young offenders for auto thefts committed.

TABLE 7 ¹
PROBABILITY OF ARREST, YOUNG ADULT AND
ADULT PERIODS COMBINED
(N = 47)

Offense Type	Self-Reported Number Of Crimes Committed	Number Of Arrests On Record	Probability Of Arrest ^a
Auto Theft	594	27	.04
Theft Over \$50/ Purse Snatching	560	20	.04
Burglary	873	76	.09
Robbery	844	110	.13
Aggravated Assault	85	26	.31
Forgery/NSF	632	49	.08
Drug Sales	2358	0	0
Rape	3	4	1.00

NOTE: N = 47 because two interviewees rap sheets were unobtainable

^a That is, the proportion of self-reported crimes that resulted in a recorded arrest (except for the anomalous rape data)

¹ Joan Petersiglia, Peter W. Greenwood, Marvin Lavin, "Criminal Careers of Habitual Offenders" United States Department of Justice - Law Enforcement Assistance Administration, July, 1978.

A staggering 96% (ninety-six percent) of all offenses committed never culminate in an arrest.

¹"The Group Probation Supervision of Male, Juvenile, Auto Theft Offenders Using Behavior Therapy and its Effect on Recidivism" by Darryl G. Smith, Third District Court of Eastern Middlesex Probation Department, Sept., 1976, p.1.

These statistics - staggering as they are - were confirmed by the testimony of professional car thieves at public hearings conducted by the Task Force. One thief admitted to stealing about 5,000 automobiles and being caught about 15 times. Another told of stealing 8,000 automobiles and being apprehended 5 times - but never convicted.

Motor vehicle theft is a crime which has a low "clearance" (arrest) rate. The clearance rate has declined over the past 12 years by 32.9%. (See Table 8). This tends to support the premise that auto theft is characterized by an extraordinarily high habitual offender rate.

TABLE 8
SOLUTION RATES* FOR MOTOR VEHICLE THEFT

YEAR	THEFT RATE PER 100,000	TOTAL ARREST RATE PER 100,000	PERCENT OF ARRESTS PER THEFT
1967	334.1	81.0	24.3
1968	393.0	86.2	21.9
1969	436.2	87.4	20.0
1970	456.8	84.0	18.4
1971	459.8	84.2	18.3
1972	426.1	76.0	17.8
1973	442.6	76.4	17.3
1974	462.2	80.1	17.3
1975	469.4	67.1	14.3
1976	446.1	63.1	14.1
1977	447.6	70.9	15.8
1978	454.7	74.0	16.3

OBSERVATIONS:

- (1) The solution rate has declined over this twelve year period 32.9%
- (2) The solution rate in 1978 increased 15.6% over that in 1976 and 3.2% over 1977.

* The term "solution rate" used here is really the ratio of total arrest rate to the theft rate. Since occasionally more than one person may be arrested for one theft, the actual number of crimes solved will be a little less than the arrests per theft ratio. For instance, in 1978 the actual motor vehicle thefts solved by law enforcement is said to be 15% by the UCR.

FINDINGS:

CRIMINAL INSURANCE FRAUD

Introduction

The Task Force finds that fraudulent theft - where the insured is knowingly involved in the alleged theft of his own automobile for the purpose of defrauding the insurance company, often with criminals providing services for a fee - is one of the fastest growing causes of theft. Industry sources estimate that up to 25% of all reported thefts are fraudulent. In Massachusetts, this means that over 12 million dollars is paid out by the insurance companies and their policyholders each year for fraudulent or phony claims - one million dollars a month.

The Task Force further finds that the present automobile insurance system in the Commonwealth of Massachusetts encourages fraud and dishonesty and guarantees high profits to criminals involved in fraudulent automobile theft schemes. There is no reason why Massachusetts consumers must continue to pay tribute to professional and amateur auto thieves and unscrupulous policyholders.

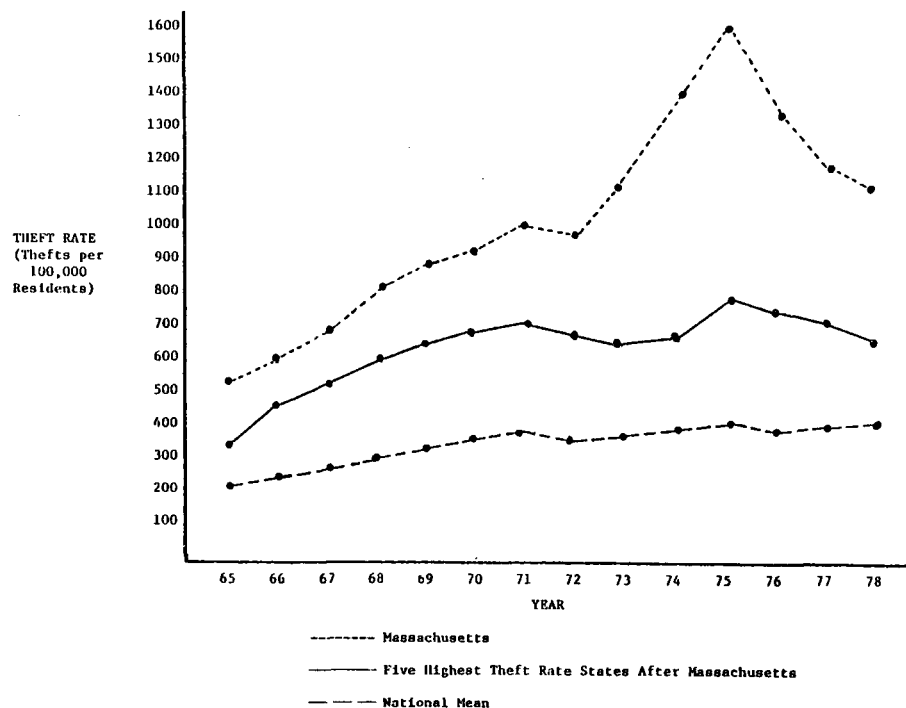
Massachusetts need not have the highest rate for theft insurance in the nation. Something must be done about insurance system-induced automobile theft and fraud. A first step is to realize that auto theft is not exclusively a criminal justice problem. A thorough, immediate examination of our present insurance regulatory structure is warranted.

Massachusetts' inordinately high auto theft rate is caused, in part, by certain regulatory "reforms" imposed on the insurance industry within the last decade.

National Ranking

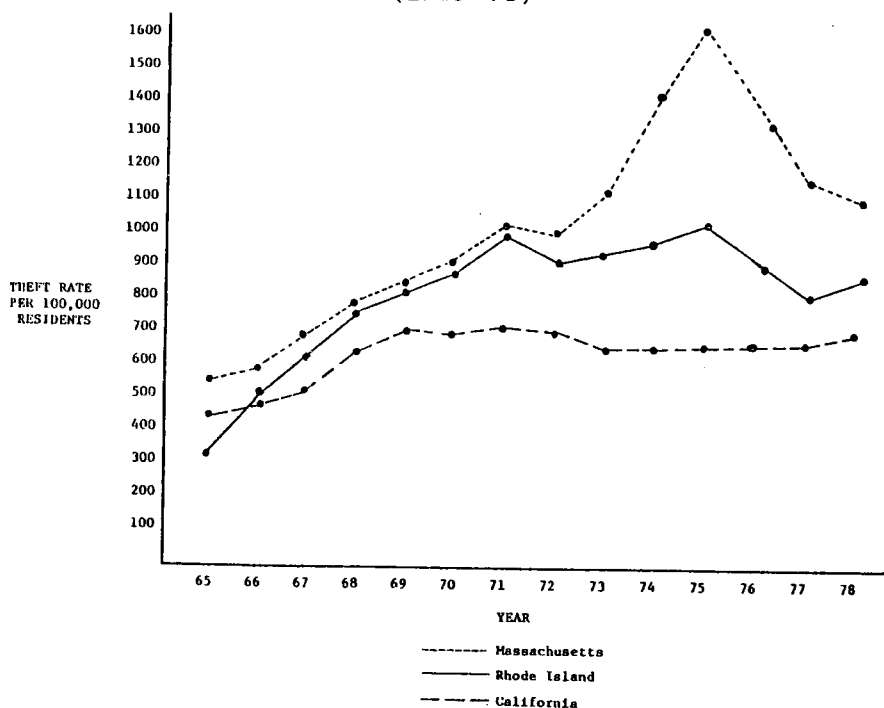
Massachusetts has had the notorious distinction of ranking first in the nation in its auto theft rate for each year of the last fifteen years. In 1965, however, the auto theft rate in Massachusetts was within the range of the next highest auto theft states. This difference increased slightly during the remainder of the decade until 1970 when Massachusetts stood 21% above the next highest auto theft states. Beginning in 1973, however, the problem of auto theft in Massachusetts began to intensify. In particular, the difference in the auto theft rate between Massachusetts and other states started to grow at a striking and frightening rate. The auto theft rate for Massachusetts, which stood 21% above the high auto theft states in 1970, jumped 51% above this same group in 1975 and almost four times the national mean theft rate (see Figure 6). The obvious question presented is what circumstances caused this acute increase in the auto theft rate in Massachusetts between 1972 and 1975.

FIGURE 6
MOTOR VEHICLE THEFT RATE COMPARISON: MASSACHUSETTS, FIVE HIGHEST THEFT
RATES AND NATIONAL MEAN
(1965-1978)



To shed light on this significant development in Massachusetts, we may compare our state's experience with our neighbor, Rhode Island. The comparison is helpful for a number of reasons. First, being neighbors, both states share certain demographic characteristics which might effect the theft rate. Second, since 1966, both states have shared an auto theft rate which for most of the period has placed them number one and two nationally. After 1972, however, Massachusetts' auto theft rate increases at a much more rapid pace than Rhode Island's (see Figure 7). At this time, the auto theft rate in both states was affected by the energy shortage and the resultant increase in the price of gasoline. This impact, however, should have been about the same for both states. The introduction into Massachusetts (but not Rhode Island) of certain regulatory changes accounted for these changes. Figure 7 shows a comparison between these states. California is also included since auto insurance is virtually unregulated in that state and it also has had a chronically high auto theft rate. Interestingly, California's auto theft rate was virtually stable during the same period - no major regulatory changes were introduced in California.

FIGURE 7
 MOTOR VEHICLE THEFT RATE COMPARISON: MASSACHUSETTS, RHODE ISLAND AND CALIFORNIA (1965-78)



We need only examine two areas of the insurance regulatory structure to discover why motor vehicle theft is out of control in the Commonwealth.

The Mandatory Offer Law

Through the mandatory offer law, the Commonwealth of Massachusetts compels insurance companies to sell all coverage to all motorists at the normal, standard prices set by the Commissioner of Insurance.

Massachusetts also has other laws which make it impossible for insurance companies to cancel or decline to renew coverage regardless of the motorist's record of multiple claims.

The combination of these two forces has had a devastating effect on Massachusetts automobile theft claims and automobile insurance costs. The mandatory offer law became effective in 1972, and in the three years, the number of automobile theft claims more than doubled - - from 23,800 to 56,400.

Prior to the introduction of the mandatory offer law, motorists with a history of multiple automobile theft claims encountered considerable difficulty in obtaining optional comprehensive coverage. Company underwriters could readily spot such motorists and decline to sell the optional comprehensive coverage to them.

Today, under the mandatory offer law, comprehensive theft coverage is provided at a standard price to each Massachusetts motorist requesting it. If a company decides not to issue coverage voluntarily to a motorist with a record of excessive claims, the company's only alternative is to place the applicant in the Reinsurance Facility, where the cost is the same as that charged in the regular market.

The system encourages theft in still another way. Motorists who abuse the insurance process by repeatedly filing fraudulent theft claims are immune from dollar surcharges under our merit rating law. The surcharges apply only to collision and property damage liability claims, and not to comprehensive (theft) coverage.

As a matter of public policy, it is one thing to invoke the mandatory offer where compulsory liability coverages are concerned. After all, these coverages reimburse the innocent victim in the event of bodily injury or property damage caused by the negligence of another. When considering steps to improve Massachusetts' notorious automobile theft problem, however, we must question the justification for extending the mandatory offer concept to non-compulsory comprehensive insurance, notwithstanding the number of theft claims on a motorist's record.

The incentive for rampant automobile theft and fraud is deeply ingrained in the present regulatory structure, which has proven to be ineffectual and irresponsible in Massachusetts. Corrective action can be achieved only through relaxing the mandatory offer law so that companies can exercise common-sense underwriting judgement in issuing optional comprehensive coverage.

The Reinsurance Facility

The Massachusetts motor vehicle Reinsurance Facility was created in 1974 by the Legislature to replace the Assigned Risk Plan. Its main functions are: (1) to provide immediate coverage to motorists who, for a variety of reasons, are not underwritten by the insurance companies voluntarily; and (2) to distribute among the companies the cost of providing such a market.

As the repository for business which the companies do not wish to retain, but which nevertheless must be written under the mandatory law, the Facility has sustained annual underwriting losses aggregating more than \$500 million in the six years of its existence - i.e., its combined losses and operating expenses have exceeded by over a half-billion dollars the total amount received in premiums.

Along with these staggering underwriting deficits, the size of the Facility has grown enormously. Today, approximately 40% of all Massachusetts motor vehicle policies are reinsured through this industry-operated, but state-controlled, mechanism.

A sizeable segment of the Facility's population is comprised of motorists whose claim records, particularly relating to automobile theft, are so forbidding that company underwriters have declined to accept their accounts through the regular insurance market. A company, rather than being forced to issue high-risk coverage at inadequate prices by the state, is forced to use the Facility as an escape hatch for business they know will generate tremendous losses. To do otherwise would be contrary to sound business practices.

The judgment of these underwriters in deciding that these motorists belong in the Facility has been vindicated year after year by the huge operating deficits incurred by the Facility in providing such automobile owners with all forms of automobile insurance.

This is especially true with regard to comprehensive (theft) coverage. In 1978, 27 percent of the total state-wide comprehensive business was placed in the Facility. Significantly, these motorists accounted for 52% of the total paid comprehensive losses in Massachusetts. (See Table 9)

TABLE 9
 AUTO THEFT CLAIMS AND COST
 VOLUNTARY vs. FACILITY

<u>MARKET TYPE</u>	<u>CLAIM COUNT</u>	<u>AMOUNT</u>	<u>AVERAGE CLAIM COST</u>
Facility	18,366	\$29,473,711	\$1,605
Voluntary	14,575	\$20,773,383	\$1,425
TOTAL	32,941	\$50,247,094	\$1,525

The fact is that a Reinsurance Facility aggravates specialized problems like auto theft by removing valuable cost-saving incentives from the auto insurance market. Notably, a significantly greater growth in auto theft exists in those states which have chosen to use a Reinsurance Facility to service the so-called residual market.

The costs of claims incurred by Facility motorists are shared among all companies making up the membership - based on each company's share of the state-wide premium volume. Thus, even though a company may place an applicant in the Facility, it is still required to service the account, collect the premium and investigate and adjust losses that may arise.

This pooling of losses has not worked out well - for either the companies or motorists in the regular market - the latter group being those who must inevitably absorb the massive Facility deficits. A Facility system, thus, is inherently cost inefficient.

The fact is that in the six-year history of the Facility, simple economics of the loss pool concept have projected insurance companies into an untenable role in the Massachusetts automobile theft picture. By requiring that Facility losses be shared on an industry-wide basis, the state has created a powerful financial disincentive for companies to investigate their Facility claims with the same vigilance they bring to bear on claims arising from their non-Facility business. All too often, where automobile theft has been concerned, investigation of Facility claims has been superficial or non-existent.

The main problem is that this business characteristically produces an exceptionally high volume of claims. Because competent investigation of automobile theft claims is a highly specialized and costly process, a company must weigh the extent of its participation in the Facility pool loss against the potential to be gained from a fuller investigation.

Moreover, sharing losses reduces the incentive for individual companies to design special and innovative approaches to theft claims control. The start-up investment costs for the creation of such special investigation units are considerable. The investment is not financially justified for most companies when the vast majority of theft losses are shared through a Facility system. In a residual market system in which risks are shared rather than losses, it is worthwhile for companies to create special units to control theft.

A few major companies have already introduced special programs which have aggressively pursued and investigated all of their theft claims - Facility and otherwise. These efforts have been astonishingly effective in reducing theft losses. As to Facility claims, however, these insurers have found their success abated by having to pick up their share of the losses of other companies through the Facility's deficit-funding operations.

There are other significant effects resulting from the present regulatory structure. There is, for example, a strong relationship between the auto theft rate and the average premium in Massachusetts. The average premium increases almost fifty dollars in Massachusetts as a result of its extraordinarily high auto theft rate

and associated factors. This represents almost 19% of the average premium paid by Massachusetts policyholders over the period 1973-77. This is much greater than one would expect from the auto theft rate alone. The auto theft rate, however, is also a proxy for forms of insurance fraud involving auto theft and other types of claims - where, for example, fraudulent auto claims exist, false collision claims will follow. The same dishonest individuals are involved in all forms of auto insurance fraud.

Premium Retrieval

A second relationship exists between the auto theft rate and the premium level. The higher the premium for auto insurance, the greater the motivation for insurance fraud. This phenomenon is termed "premium retrieval". Policyholders will attempt to recover a portion of their premium, whether honestly or not, in order to derive a desired return from their auto insurance purchase. This type of economically stimulated activity must be met by economic disincentives built into the regulatory system if it is to be controlled. Disincentives are presently lacking in the Massachusetts insurance environment.

Market Instability

A final effect of the auto theft rate is its significant impact on market stability. As auto theft increases, auto insurers find themselves in an increasingly unprofitable position - inevitably resulting in market instability.

These factors combine to make a powerful argument for strong measures, including changes in the regulatory structure, to combat these destructive and costly problems.

The Task Force, therefore, finds that the present insurance system in the Commonwealth actually encourages automobile theft, and indeed, rewards thieves, based on their measure of success. Several examples of insurance fraud detailed below demonstrate why motor vehicle theft is out of control in the Commonwealth and why Massachusetts motorists are losing one million dollars a month due solely to fraudulent auto theft claims. Overall, auto theft claims cost Massachusetts in excess of 50 million dollars in 1977 at an average cost per claim of \$1,525 up 7.2% over the previous year. (See Table 10).

TABLE 10
 AUTO THEFT INSURANCE CLAIMS IN MASSACHUSETTS
 (1973-1978)

MASSACHUSETTS AUTO THEFT INSURANCE CLAIMS STATISTICS*							
	Number of Insured Cars	Claims Related To The Theft Of Autos	Average** Frequency	Percent Change	Loss Dollars	Average Cost	Percent Change
1973	1,817,169.5	23,843	1.3121	-	21,669,271	909	-
1974	1,999,419.2	38,582	1.9297	+47.1	37,983,712	984	+ 8.3
1975	2,011,964.5	56,448	2.8056	+45.4	69,852,589	1,237	+25.7
1976	1,939,467.1	43,652	2.2507	-19.8	59,507,717	1,363	+10.2
1977	1,819,724.1	35,542	1.9532	-13.2	50,550,919	1,422	+ 4.3

* Source: Commonwealth of Massachusetts, Division of Insurance

** Per 100 cars.

Automobile Insurance Rates

Massachusetts has one of the highest auto theft insurance rates in the nation. To demonstrate the high cost of such rates, Table 11 compares rates of eight cities across the nation. A Boston driver spends between \$214 and \$333 for insurance premiums - nine times the premium paid by an Atlanta, Georgia driver, and over four times that of a Los Angeles driver.

The high rates in Massachusetts become even more noticeable when one compares suburban rates. A Framingham driver, for example, pays \$190 compared to \$40 for a Dearborn, Michigan driver, and \$63 for a driver in Nassau County, Long Island. Table 11 demonstrates the exorbitantly high cost Massachusetts drivers are paying to support the state's high auto theft rate:

TABLE 11
\$200 DEDUCTIBLE COMPREHENSIVE PREMIUMS
1979 CHEVROLET CAPRICE

<u>STATE</u>	<u>CITY</u>	<u>URBAN</u> <u>PREMIUM</u>	<u>SUBURBAN</u> <u>TOWN/COUNTY</u>	<u>PREMIUM</u>
Massachusetts	Boston	214 - 333	Framingham	\$ 190
New York	New York	103 - 251	Nassau	63
Georgia	Atlanta	34	Clayton	34
Louisiana	New Orleans	48	Assumption	59
Colorado	Denver	56	Jefferson	56
California	Los Angeles	43 - 90	Anaheim	36
Illinois	Chicago	83 - 256	DuPage	34
Michigan	Detroit	90	Dearborn	40

Note: Figures are premiums charged in an insurance company's standard auto program for a male age 35 with 6 years driving experience, a clean record and a privately used vehicle.

Examples of Insurance Fraud

The Task Force finds that fraudulent theft is the fastest growing cause of auto theft in the Commonwealth. Industry sources estimate up to 25% of all reported thefts are fraudulent. A variety of criminal schemes are associated with such activity. It may be helpful to review some of those schemes.

Figure 8 shows an example of an insured "paper" automobile, an automobile that does not exist but is registered and insured solely for the purpose of collecting insurance money after reporting the automobile stolen. In this type of case, because there is no automobile to recover, the insured hopes to be paid the replacement cost of the "automobile" that was stolen. If the insured succeeds, a substantial amount of money can be made for a relatively small investment consisting of the payment of registration fees, sales tax, and insurance premiums.

Figure 8

(PAPER CAR)

- 1973 Audi Fox stolen
- Purchased car from an ad in the Globe
- No bill of sale
- Met seller in subway station and paid cash... \$3,300
- Didn't have receipt
- * Claim denied; never heard from assured again

The practice of registering and insuring "paper" automobiles may account for a substantial number of automobile thefts each year in Massachusetts. In a sample taken from the files of one insurance company, of 400 new policyholders who had purchased automobile theft coverage, an investigation revealed that 15 percent of the automobiles involved did not exist and were insured solely with the purpose of defrauding the company.

Figure 9 shows an example of an automobile that was stolen and burned to collect the insurance. Such incidents occur for several reasons - the automobile required substantial mechanical repairs or body work evidence of which the insured would expect to be lost when the automobile was burned; the insured falls behind in monthly installment loan payments or is in serious financial difficulty; or the automobile is a "gas guzzler".

Figure 9

(TORCHED CAR)

- Assured abandoned car -- blow out
 - Car stolen, recovered burned
 - Investigators found witnesses who saw car being towed
 - Engine inspection revealed it had seized and was inoperable
 - Assured submitted to lie detector test which indicated he torched car
- *Claim denied

The torching of motor vehicles is becoming a common occurrence. In the first six months of 1979, 1,300 automobiles in Massachusetts were reported as torched.

Figure 10 shows an example of the multiple automobile "theft". In these cases, the automobile is often recovered stripped of expensive parts. In this actual case, each time the automobile was repaired, it was repaired at the same garage, probably with the same parts that were removed from the automobile when it was stripped after it was "stolen".

FIGURE 10
(MULTIPLE AUTO THEFT INSURANCE CLAIMS)

		<u>PAID</u>
05/28/75	Theft - Recovered - Stripped	\$ 3,650
07/31/75	Theft - Recovered - Stripped	1,041
12/08/75	Theft - Recovered - Stripped	3,132
03/04/76	Theft - Recovered	12,135
04/27/76	Theft - Recovered - Stripped	5,225
02/07/77	Theft - Recovered - Stripped	2,181
06/10/77	Theft - Recovered - Stripped	2,110
10/04/77	Theft - Recovered - Stripped	2,128
11/15/77	Theft - Recovered - Stripped	5,789
11/15/77	Theft of Boat	4,600
04/15/78	Theft - Recovered - Stripped	3,881
10/10/78	Theft - Recovered - Stripped	1,835
11/24/78	Theft - Unrecovered	8,080

SUMMARY

13 Thefts (Vehicles)	Paid	\$54,572
1 Theft (Boat)	Paid	4,600
TOTAL		\$59,172

Figure 11 shows an example of the automobile insured with two or more insurance companies at the same time. The only explanation for buying the same insurance coverage from two or more companies is that the extra insurance, as well as the initial insurance, is purchased by the insured with the intent to file a claim with each company and defraud them.

Figure 11

(CAR INSURED TWICE)

- 1974 Volvo stolen -- not recovered
- Checked with mortgagee -- mortgagee revealed name of second insurance company
- * Claim denied -- never heard from assured again

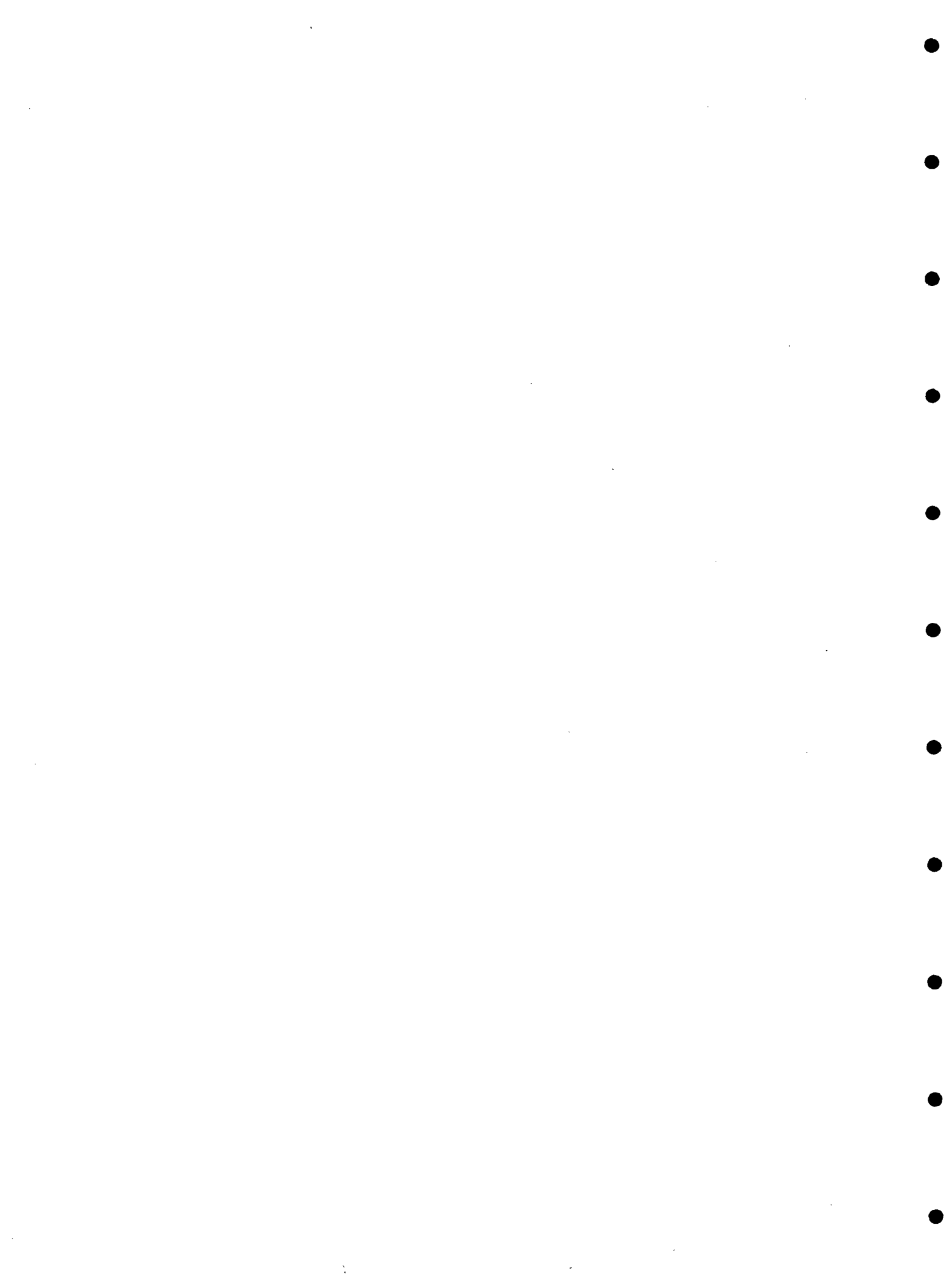
These examples demonstrate why the Commonwealth has the highest auto theft rate in the nation and the staggering economic losses associated with that fact. Yet the Task Force is convinced that Massachusetts need not be the auto theft capitol of the nation. Implementing the desperately-needed changes in our criminal justice system and regulatory environment that the Task Force recommends can and will have a substantial impact on the automobile theft rate in Massachusetts.

TASK FORCE RECOMMENDATIONS



RECOMMENDATIONS FOR REFORM OF THE

CRIMINAL JUSTICE SYSTEM



Introduction

Over a century ago, Abraham Lincoln warned that when our laws are not enforced, the citizens...

"seeing their property destroyed, their families insulted, and their lives endangered...grow tired and disgusted with the government that offers them no protection."¹

Regrettably, we have reached the point in the Commonwealth where our citizens have lost confidence in the administration of criminal justice - and in particular, the adjudication of auto theft prosecutions. Our state ranks 46th in the nation in its rate of incarcerating convicted criminals. Indeed, it is difficult for a criminal - no matter how determined he is - to get into jail.

According to the statistics, the odds are all in his favor. Car thieves in Massachusetts stand only one chance in six of getting caught; and two of every three caught never spend a day in jail after conviction.

It is time to return to the fundamental recognition that the paramount duty of the government is to enforce its laws - to protect its citizens' homes and property, their persons and their lives. If it fails in this basic duty, government is not redeemed by providing even the most perfect system for the protection of the rights of the defendants in the criminal courts.

Moreover, it is time to fundamentally change the public and the criminal justice system's attitude toward automobile theft. Auto theft, like burglary, is mistakenly and euphemistically termed a "crime against property". It is not. It is a crime against the person in every sense of that phrase, because that car represents a substantial part of the victim's life. For some, it represents their livelihood - or a means toward earning their livelihood. For all, it represents a portion of their life - time spent working to pay for the car, time from vacations never taken, from home improvements never made, from education never undertaken. In short, the theft of a car should be seen for what it is - an enormous affront to the individual - depriving him of a part of his life.

Auto theft is a unique crime, because so often it is the first step in a criminal career - the first exposure to the criminal justice system. For many, that experience presently results in a positive reinforcement of criminal behavior. For repeat offenders, well-meaning but misguided institutional compassion encourages a progression toward other forms of criminal behavior often resulting in aggressive, violent criminal acts against the person.

¹ Abraham Lincoln, The Perpetuation of our Political Institutions, 1838.

Yet the young offender is only part of the picture. In the past decade, auto theft has changed dramatically in character. Ten years ago, "joyriders" constituted the bulk of the problem. Today, it is the professional car thief. The fact is that organized crime has discovered car thievery as a lucrative source of income. It runs a multi-million dollar, tax free industry - specializing in the "chop-shop", the steal-to-order parts racket, and sophisticated insurance fraud schemes. Automobile theft has become a high profit, low risk industry.

Organized theft rings now dispose of stolen vehicles through the so-called "salvage vehicle switch", by which title and identification plates from a wrecked or disassembled vehicle are switched to a stolen car.

"Chop-shops" account for an ever-increasing percentage of thefts - evidenced by our sharply declining recovery rates. No sooner is a car stolen and taken off the street, than, within minutes, it is cut up by specially-trained crews working with the speed and precision of speedway pit crews. The dramatic surge of such activity is due, in large part, to economic factors - the astronomical rise of replacing damaged car parts, and the delay in receiving new body parts from the factory. A recent study by the Alliance of American Insurers, for example, reports that the parts of a standard 1979 automobile are worth $4\frac{1}{2}$ times as much as the assembled car - \$26,418 for all the parts as opposed to \$5,741 for the vehicle as a whole.

The Commonwealth's number one crime demands the best counter-measures that government and the private sector can offer. We need a well-coordinated battle plan to control motor vehicle theft throughout the Commonwealth.

One thing is clear, however - the joyride is over.

But our legislative initiative must result in certain changes in the criminal justice system.

Our laws must be clear; they must be enforceable; and most importantly, they must be tough. The message to auto thieves must be strong - that he and his confederates will be stopped, and that when he is arrested, he will be arrested quickly, and the courts will deal with him appropriately.

Moreover, we must seek to cut the profit of organized car theft and put the professional car thief out of business.

And finally, we must recognize that certainty of punishment - not severity - is the cornerstone of an effective criminal justice system.

Mandatory Sentences for Habitual Car Thieves

The Task Force finds that auto theft is a crime characterized by an extraordinarily high repeat offender rate. The Task Force, therefore, endorses a sentencing approach for convicted car thieves which would leave untouched judicial discretion for dealing with first-time offenders, but would authorize short, sure jail sentences for habitually-convicted car thieves.

Further, the Task Force finds that the present criminal penalties for auto theft are quite adequate, but that certainty of punishment is lacking. (See Figure 12).

FIGURE 12 PRESENT CRIMINAL PENALTIES FOR AUTO THEFT

G.L.C. 90, § 24 (2) (a): ("Unauthorized Use")

- First Offense: 30 days min., 2 years max.; or \$50 fine min., \$500 fine max. or both.
- Second Offense: 5 years state prison max. (Felony); or 30 days min., 2½ years max.; or \$1000 fine max., or both.
- Third Offense: 2½ min., 5 years max., State Prison (Felony); or 6 months min., 2½ years max.; or \$200 min., \$1000 max. fine or both.

G.L. C. 266, § 28 (Larceny of a Motor Vehicle):

10 years max. state prison (Felony); or 2½ years max. in jail ; or \$500 fine max. or both.

Accordingly, the Task Force supports an approach which will result in certainty that a habitually convicted car thief will be punished by imprisonment for even a short period of time. This approach has found support from distinguished scholars - most notably Professor James Q. Wilson of Harvard.¹

In addition, a recent study conducted by the Northeastern University School of Criminal Justice concluded that mandatory sentencing for firearms violations (the Bartley-Fox Law) has served as a significant crime deterrent.

As the study reports:

"(T)he Bartley-Fox gun law has affected the character of violent crime in Massachusetts. We see substantial decreases in gun related assaults, robberies, and homicides; and conversely, more or less offsetting increases in non-gun armed assaults and robberies. This represents a shift from more serious to less serious forms of criminal activity ... a less potentially harmful and lethal form () of crime".

The number of actual crimes deterred is impressive - a total reduction of 792 gun assaults and a reduction of 1309 gun robberies in 1976.

Establishing a mandatory jail term for habitual car thieves will, most surely, have the same effect.

¹This approach is not new - eighteenth century philosophers Bentham and Beccaria believed that certainty of punishment was a more effective deterrent than severity of punishment.

Statistically speaking, Massachusetts ranks 46th in the nation in its rate of incarcerating convicted criminals (See Table 12). In practical terms, the criminal population know full well how the Commonwealth treats them. As the Task Force heard in its public hearings, in testimony from a professional car thief:

A. I will say they are a whole lot lenient in Massachusetts than they are in other states. I would rather stay here and steal than go somewhere else.

Q. So there is some feeling that here in Massachusetts we are very lenient toward this particular crime?

A. Yes. It's like a pat on the back and go out and do it again.

Since present statutorily-provided terms of incarceration are sufficient, what is required is a need on the part of some members of the judiciary to impose authorized terms of incarceration on repeat offenders. Mandatory sentencing provides assistance to do so.

Felony/Misdemeanor Distinction

There appears to be a popular misconception about the present charging status (e.g., felony or misdemeanor) of auto theft offenses and a belief that upgrading auto theft to a felony will significantly reduce the incidence of auto theft. Nothing could be further from the truth.

The Task Force believes that these misconceptions are unfortunate and must be addressed.

TABLE 12

RATE OF INCARCERATION: COMPARATIVE RANKING OF 50 STATES
(1977)

<u>RANK</u>	<u>RATE PER 100,000 CIVILIAN POPULATION</u>	<u>JURISDICTION</u>
1	334	District of Columbia
2	230	South Carolina
3	225	Georgia
4	214	North Carolina
5	211	Florida
6	192	Maryland
7	167	Texas
8	156	Nevada
9	137	Michigan
10	133	Oklahoma
11	126	Virginia
12	125	Arizona
13	122	Oregon
14	120	Louisiana
15	118	Delaware
16	117	Ohio
17	115	Arkansas
18	114	Tennessee
19	109	Washington
20	107	Kentucky
21	105	Missouri
22	105	New Mexico
23	98	New York
24	93	Nebraska
25	91	Kansas
26	91	Mississippi
27	87	Colorado
28	87	Illinois
29	87	Wyoming
30	85	California
31	83	Alabama
32	82	Idaho
33	79	Indiana
34	78	New Jersey
35	73	Montana
36	71	West Virginia
37	71	Wisconsin
38	70	South Dakota
39	66	Iowa
40	64	Vermont
41	63	Alaska
42	62	Connecticut
43	60	Utah
44	57	Maine
45	56	Pennsylvania
46	53	Rhode Island
47	46	MASSACHUSETTS
48	41	Minnesota
49	39	Hawaii
50	30	New Hampshire
	26	North Dakota

SOURCE: Criminal Justice Sourcebook, 1978
United States Department of Justice

First, and most importantly, the two criminal offenses dealing with auto theft already classify it as a felony. G.L.c. 90, section 24 (2) (a) (the so-called "joyriding" statute) provides a felony charge for second and subsequent offenders. Moreover, G.L. c. 266, section 28 (larceny of a motor vehicle) categorizes the crime as also a felony. The only real issue in this regard is whether joyriding should be upgraded to felony status for first offenders. The Task force believes that it should not, for the following reasons.

The felony/misdemeanor distinction is an old, archaic, common law distinction with little relevance, if any, to present sentencing practices. As a practical matter today, a felony gradation serves only two purposes: (1) it requires sentences to be served in state prison instead of a county jail or house of correction; and (2) it provides police with the power to conduct a warrantless arrest. As to the first aspect, it is largely irrelevant where jail sentences are served as long as incarceration results. With regard to the second, a statutory right to arrest may be created without making an offense a felony (see, e.g., G.L. c. 90 section 21, or G.L. c. 94C, section 41).

Thus, a felony conviction with its resultant state prison sentence is simply not warranted for a first-time unauthorized use offender. Sending a youthful offender to M.C.I. Walpole, where only the most vicious thugs and hardened criminals serve their time, would be foolhardy.

The popular misconception is that a felony results in more severe prison sentences. This is not necessarily so. G.L. c. 266, section 28, for example, which prohibits the larceny of a motor vehicle, carries a potential ten year state prison sentence. Yet, in the last five years, not one person released from state's prison had served anywhere near the maximum time. (See Figure 13).

FIGURE 13

RELEASES FROM THE DEPARTMENT OF CORRECTION

1973-1977

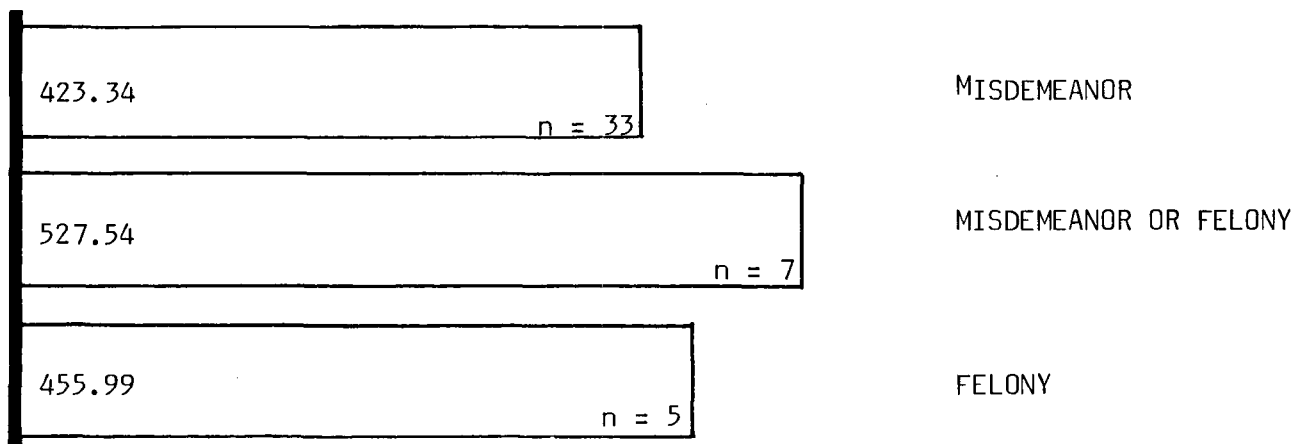
TIME SERVED

Offense (Unknown)	Less Than 1 Year		1 - 2 Years		2 - 3 Years		3 - 5 Years		5 - 10 Years		10 - 15 Years		Pop.
	#	%	#	%	#	%	#	%	#	%	#	%	
Vehicle Theft (13)	26	39.39	24	36.36	8	12.12	6	9.09	2	3.03	-	-	66

Source: Research Division of the Department of Correction

Moreover, a review of the laws of other states demonstrates conclusively that there is absolutely no correlation between a state's motor vehicle theft rate and whether the offense is categorized as a felony or misdemeanor. (See Table 13). Indeed, of the ten states with the lowest motor vehicle theft rate, all but two treat it as a misdemeanor.

TABLE 13
MOTOR VEHICLE THEFT RATES FOR STATES BY CHARGE TYPE*
1978



* Rate: Crimes Per 100,000 Pop.

SOURCE: F.B.I. - U.C.R.

Finally, it is time to dispel the popular myth that nearly all states treat auto theft as a felony. On the contrary, 34 states treat auto theft as a misdemeanor. (See Table 14).

It is quite clear that the popular notion that auto theft be made a "felony" is an unfortunate battlecry which is not based on any actual knowledge of present law and which would not result in any real diminution of the auto theft rate. The key, quite obviously, to controlling automobile theft in the Commonwealth is providing certainty of punishment.

TABLE 14
 RANKING OF AUTO THEFT RATES BY STATES
 AND THEIR PENALTY STATUS (FELONY/MISDEMEANOR)
1978

<u>RANK</u>	<u>STATE</u>	<u>RATES PER 100,000 POPULATION</u>	<u>CRIMINAL PENALTY</u>
1	MASSACHUSETTS	1095.6	Felony or Misdemeanor
2	Rhode Island	807.2	Misdemeanor
3	California	691.3	Not Available
4	New York	672.0	Misdemeanor
5	Alaska	661.5	Misdemeanor
6	Connecticut	654.9	Misdemeanor
7	Nevada	601.7	Misdemeanor
8	Hawaii	570.8	Felony
9	New Jersey	560.6	Misdemeanor
10	Michigan	525.9	Misdemeanor
11	Illinois	511.2	Misdemeanor
12	Delaware	496.9	Misdemeanor
13	Colorado	487.9	Misdemeanor
14	Arizona	464.4	Felony
15	Texas	444.3	Felony
16	Maryland	424.8	Misdemeanor
17	Indiana	411.1	Felony or Misdemeanor
18	Ohio	402.0	Misdemeanor
19	Washington	394.9	Misdemeanor
20	Oregon	394.8	Felony
21	Florida	388.6	Misdemeanor
22	Missouri	368.8	Felony
23	Louisiana	361.6	Misdemeanor
24	Georgia	356.6	Felony or Misdemeanor
25	Oklahoma	351.4	Misdemeanor
26	Wyoming	342.5	Felony
27	Pennsylvania	340.7	Misdemeanor
28	Utah	333.9	Not Available
29	Tennessee	328.1	Unclear
30	Minnesota	324.7	Felony

TABLE 14 Continued

<u>RANK</u>	<u>STATE</u>	<u>RATES PER 100,000 POPULATION</u>	<u>CRIMINAL PENALTY</u>
31	New Mexico	313.8	Felony
32	Montana	307.1	Misdemeanor
33	New Hampshire	305.6	Misdemeanor
34	Alabama	302.5	Misdemeanor
35	South Carolina	276.1	Misdemeanor
36	Maine	253.3	Unclear
37	Kentucky	250.6	Misdemeanor
38	Kansas	247.7	Misdemeanor
39	Idaho	243.7	Unclear
40	Iowa	235.1	Misdemeanor
41	Wisconsin	229.5	Misdemeanor
42	Virginia	229.0	Felony or Misdemeanor
43	Nebraska	216.8	Misdemeanor
44	Vermont	214.2	Misdemeanor
45	North Carolina	201.3	Misdemeanor
46	Arkansas	199.6	Misdemeanor
47	West Virginia	175.8	Misdemeanor
48	South Dakota	160.0	Misdemeanor
49	Mississippi	151.8	Misdemeanor
50	North Dakota	148.2	Felony or Misdemeanor

SOURCE: F.B.I. - U.C.R.

RESULTS: 48 States Surveyed:

- 33 - misdemeanor
- 7 - felony
- 3 - unclear
- 5 - may treat as either a felony or a misdemeanor

CONCLUSION: There is no relationship between making auto theft a felony and a state's theft rate. In fact, eight of ten states with the lowest theft rate in the nation treat auto theft as a misdemeanor.

Mandatory Finding

The Task Force finds that there is a current widespread abuse by members of the judiciary with the dispositions of "continued without a finding" or "filing" a charge, and that no plausible reason exists why a disposition of guilt or innocence should not be made for all persons charged with unauthorized use or larceny of a motor vehicle. The Task Force, therefore, recommends the enactment of legislation which would mandate a finding of guilt or innocence for all offenders charged under these statutes. A certified copy of the conviction would then be admissible for purposes of disposition of second and subsequent offenders.

The Task Force recognizes that there must be some flexibility in dealing with youthful offenders,¹ particularly if they have successfully undertaken rehabilitation efforts and later find that a conviction hinders employment or educational opportunities - e.g., entry into college or the armed services. The Task Force, therefore, endorses an approach which would mandate a review period 1½ years after the disposition date at which time a judge would be authorized, on his own motion or on motion of the defendant, to revise and revoke a previous finding of guilt. In extraordinary cases, a judge may hear such a motion at an earlier time, but a judge so ruling must state his reasons in writing. In addition, notice of a hearing on such a motion must be given to the Commonwealth.

¹The term "youthful offenders" is not meant to include juveniles who, of course, are subject to separate sentencing provisions.

Mandatory Sentences for Unauthorized Use Offenders

For reasons stated above, the Task Force strongly supports legislation which would impose a mandatory 30 day jail sentence for second offenders convicted of unauthorized use. Persons convicted of a third and subsequent offense would be punished by a five month term of incarceration. No possibility of parole, furlough, early release, suspended sentence, or probation shall exist for all such offenders. A maximum fine of \$1,000 may also be imposed - but not in lieu of a jail sentence.

At first glance, these penalties would seem not nearly as severe as the present penalty scheme. However, despite statutorily provided terms of incarceration of up to five years in state prison, the actual time served is only three months. Clearly, merely having stiff penalties on the books is insufficient. Certainty of punishment is the key.

Additionally, the Task Force recommends that the unauthorized use statute be amended to include a presumption that evidence of a forcible entry or forcible starting of a vehicle serve as prima facie evidence that use of the vehicle was unauthorized.

Mandatory Sentences for Professional Car Thieves

G.L. c. 266, section 28, defining larceny of a motor vehicle, is the professional car thief statute. If police and prosecutors can prove this charge, which is difficult, there is a strong likelihood that a person convicted of this charge is participating in, or operating, a car theft ring. The penalties should be appropriate for such organized crime.

The Task Force, therefore, recommends a mandatory jail term of one year for second and subsequent offenders. Again, no possibility of parole, probation, furlough, early release, or suspended sentence shall exist for such offenders. A maximum fine of \$10,000 may also be imposed, but not in lieu of a jail term.

To facilitate prosecution, evidence that an identifying number of a vehicle has been altered or tampered with shall be a prima facie violation of this statute.

The High Speed Chase

The Task Force recommends that a new criminal offense be enacted to punish the unauthorized use offender who starts a high speed chase. Too many needless and tragic deaths and serious bodily injuries have resulted from such chases. It is time to provide tough penalties for those who cause malicious and wanton destruction to personal property or physical harm to innocent pedestrians and motorists. The Task Force, therefore, recommends that a mandatory jail term of nine months be imposed for second and subsequent offenders and that any term imposed for this offense be served consecutively ("from and after") any other term of incarceration imposed or presently being served.

Altering Motor Vehicle Identification Numbers

Chapter 792 of the Acts of 1979 stiffened criminal penalties for trafficking in motor vehicles with altered or destroyed vehicle identifying numbers - activity which is the trademark of the professional car thief. The Task Force recommends several minor amendments here:

- (1) A presumption that possession of a motor vehicle or vehicle part with altered or defaced VINs serve as prima facie evidence of a violation;
- (2) A grant of a right to make a warrantless arrest to police for a misdemeanor violation (this applies only to subsection (c); and
- (3) Clarifying the definition of the phrase "vehicle identifying numbers" so as to include the so-called "derivative numbers" on the engine. (Presently, a VIN is defined only as the tag numbers on the dashboard).

Mandatory Restitution

The Task Force strongly supports the enactment of legislation which would require that all persons convicted of unauthorized use or larceny of a motor vehicle make full restitution to the owner for all economic loss caused by this criminal act. Economic loss includes the cost of repairing the car, work loss, replacement of the car, property loss, and any other out-of-pocket expenses. Pain and suffering is not economic loss. Restitution may be imposed in addition to the imposition of a fine or incarceration or as a condition of probation or parole. Those offenders unable to make restitution shall take a job and make restitution on a basis of periodic payments

Restitution may also be authorized to the insurer for any monies provided to the owner of the vehicle as a result of the crime. Insurance companies will then annually total the amount of money taken in by restitution payments and credit the accounts of the insured/victim to reflect these payments.

If a collateral source - the federal or state government, social security, workmen's compensation or insurance proceeds - exist from which payment is received - the restitution amount shall reflect such sums to collateral sources as well.

Restitution may not be authorized to a victim without the victim's consent or to a victim who is an accomplice of the offender.

The Task Force is mindful that many offenders are unemployed or not possessed of sufficient financial resources to make restitution. The Task Force, however, firmly believes that such offenders can and must take a job through the State Division of Employment Security or other similar agency to make payments on even a periodic basis. In this regard, the Task Force finds that the experience in the West Roxbury District Court in ordering restitution has been most successful. Indeed, that court's jurisdiction includes several economically distressed communities - most notably Roxbury and Jamaica Plain - and despite that fact, a court-ordered restitution program has worked out quite well.

Improvements in the Administration of Justice

Preserving the Owner's Testimony

The most serious defect in the prosecution of criminal cases involving auto theft is the ability of defendants to continually postpone their cases until a vehicle's owner gets too tired or aggravated to the point where he no longer shows up in court for trial. The case must then be dismissed "for want of prosecution".

Therefore, the Task Force makes several recommendations to address this problem. First, the Task Force supports legislation which would render the Certificate of Title admissible into evidence in criminal proceedings as to the issue of ownership and raise a rebuttable presumption on the issue of unauthorized use. If the defendant prevails in rebutting this presumption, then the Commonwealth shall be granted a continuance to enable it to bring the owner into court to testify. Second, the Task Force recommends that either at the time of arraignment or the first scheduled day of trial, the testimony of the owner be taken then and there, subject to cross-examination.

Forfeiture of Stolen Motor Vehicles or Vehicle Parts

Police officers need clear statutory authority for detecting and recovering stolen vehicles and their parts to eliminate illegal "chop shops".

The Task Force supports legislation which would authorize police officers to seize a vehicle or its parts which they have reason to believe has been stolen or has had its identifying number altered, changed or obliterated. The police would be allowed to hold the vehicle or vehicle part pending the outcome of an investigation, but would be required to return it to the lawful owner as expeditiously as possible. Upon the conclusion of an investigation, if the vehicle or vehicle part has not been returned to its lawful owner, it may then be forfeited to the police department.

Officers should also be allowed to seize the records of businesses engaged in vehicle dismantling, or scrap processing operations which they believe to be operating as illegal "chop shops".

Court Jurisdiction

The Task Force believes that the District Court Department is the proper judicial forum for the handling of unauthorized use and larceny of motor vehicle offenses. These judges are in a far better position to reflect community and law enforcement sentiment regarding the disposition of such offenders.

Juvenile Justice

The Task Force recognizes that a significant portion of auto thefts are committed by juveniles. Indeed, some juveniles use the law as a shield for their criminal activities. But auto theft is not the only subject of juvenile crime. On the contrary, burglary, rape, aggravated assaults and even murder are committed by juveniles at a frighteningly increasing rate. The Task Force, therefore, believes that an intensive study of the statutes dealing with the juvenile/adult distinction should be conducted and that recommendations for legislative reform should be made. Because of the scope of such a project and the time constraints under which the Task Force must operate, we must therefore recommend that this matter be referred to the Massachusetts Juvenile Justice Advisory Committee, established by Executive Order No. 166. After their review, we recommend that the Governor be advised on specific legislative changes necessary to control this troubling source of crime.

Federal Motor Vehicle Theft Prevention Act of 1979 - Responsibility of Automobile
Manufacturer

Ineffective anti-theft devices on automobiles significantly facilitate automobile theft. Moreover, the ease with which vehicle identification numbers (VIN's) may be removed or altered contributes to the growth of "chop shop" operations. To deal with these factors, the Task Force calls upon the automobile manufacturers to cooperate in efforts to reduce auto theft. The Task Force, therefore, supports the enactment of the Federal Motor Vehicle Theft Prevention Act of 1979 which would provide the following:

- . Manufacturers develop improved locking devices.
- . Manufacturers be required to place VIN's on major component parts.
- . Permit forfeiture of any vehicle or vehicle part with altered or damaged vehicle identification numbers.
- . Provide a new criminal offense for trafficking in motor vehicles with altered identifying numbers.
- . Expand RICO statute (organized crime law) to include prosecution of organized car theft rings.
- . Grant jurisdiction to the U.S. Postal Service to prohibit the mailing or advertisement of master keys to motor vehicles.
- . Grant Secretary of the Treasury the authority to make regulations regarding the exportation of used vehicles.
- . Create a new criminal offense to prohibit the exportation or importation of stolen motor vehicles.

RECOMMENDATIONS TO COMBAT CRIMINAL INSURANCE FRAUD

Introduction

The Task Force finds that the mandatory offer law and present Reinsurance Facility claim practices are substantial contributing factors to the inordinately high auto theft rate of the Commonwealth. As evidence thereof, a recent study sponsored by the American Insurance Association has been examined and accepted by the Task Force. The Report resulting from this study is referred to the Commissioner of Insurance to be used by him in his consideration of changes in the mandatory offer law and Reinsurance Facility needed to support control and reduction of automobile theft in the Commonwealth.

The Massachusetts Motor Vehicle Reinsurance Facility

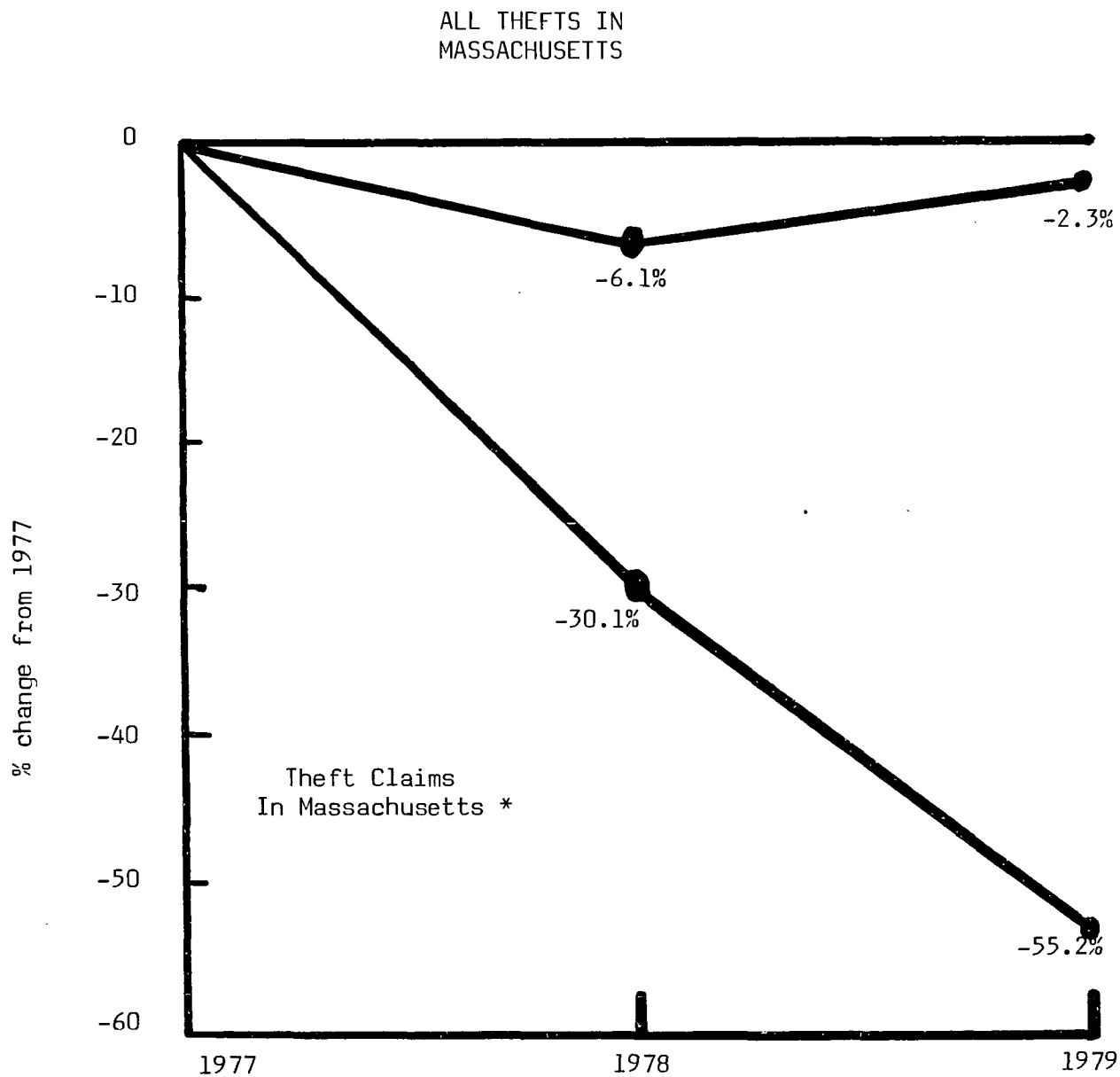
Eighty percent of fraudulent claims, involving automobile theft or fire arise from individuals insured in the Reinsurance Facility.

About ten insurance companies writing automobile insurance in Massachusetts have established "special investigation units" or "fraud squads" to combat fraudulent claims, with excellent results. Figure 14 graphically shows how one company's Special Investigation Unit has reduced the number of automobile theft claims made since 1977. Automobile theft claims have declined over 50% in the two years since the Special Investigation Unit has existed, from 2,008 to 950. This compares favorably to the general trend in Massachusetts which has seen a slight decrease - two percent - in the number of claims made over the same period of time. Neither the insurance facility nor the consumer, however, is benefiting by the work done by a few companies to deny fraudulent claims. The dishonest insured soon learns which companies are tough and simply goes to other insurance companies. The losses are distributed within the Reinsurance Facility pool and are charged to all insurance companies regardless of the actual cost of claims handling to the individual companies.

The Task Force, therefore, recommends that the Commonwealth:

Reform present regulatory practices within the Division of Insurance to allow insurance companies to deny comprehensive insurance coverage, when appropriate, based on material misstatements by the insured in an application for insurance.

FIGURE 14
CLAIMS EXPERIENCE WITH
SPECIAL INVESTIGATIVE UNITS-
COMPARISON WITH MOTOR VEHICLE
THEFT RATE



* This theft claim rate is one insurance company's experience resulting from the institution of a special investigation unit.

To improve the handling of claims so as to reduce the number of fraudulent claims, the following modification is recommended:

- . Enactment of a statutory requirement which would create a central auto theft index file and require that all insurance companies report all total auto theft claims to the National Auto Theft Bureau.
- . Assignment of a manager of each insurance company claim office as liaison person with police and district attorney's offices concerning all auto theft and insurance fraud investigations.

Criminal Insurance Fraud

The Task Force finds that the present criminal penalties for insurance fraud are adequate, but that they do not deter criminal insurance fraud because of the lack of certainty of punishment. Those who defraud insurance companies with false claims have little fear that they will be punished. The Task Force, therefore, finds it necessary to recommend legislation which would provide certainty of punishment for such offenders. The following recommendations, if implemented, would significantly reduce the incidence of insurance fraud in the Commonwealth:

- . Enact a new criminal offense and provide mandatory sentences for those repeatedly convicted of making a false written report of an automobile theft to a police department.
- . Enact a new criminal offense and provide mandatory sentences for those repeatedly convicted of making a false written report of an automobile theft to an insurance company or agent.

Immunity and Privacy Laws

Privacy laws have a chilling effect on the exchange of information on automobile theft and insurance fraud between insurance companies and the police. Insurance companies, insurance agents, and private investigators need to be protected from tort liability based on the release of claim information. The following is recommended:

- . Amend the so-called "arson reporting statute" to grant immunity from tort liability or for invasion of privacy, libel, or slander to providers of information on auto theft and insurance fraud.

Automobile Pre-Inspection

To curtail the criminal practice of insuring "paper cars" for the sole purpose of reporting them stolen and collecting the insurance proceeds, the Task Force recommends amending present insurance regulations to authorize the inspection of automobiles prior to issuing insurance. Therefore, the Task Force recommends that:

- . Insurance Division Regulation I-78 be amended to authorize the inspection of automobiles prior to the issuance of comprehensive fire and theft insurance when information contained on the insurance application indicates the possibility that the automobile is non-existent.

RECOMMENDATIONS FOR REFORM OF
REGISTRATION AND TITLING LAWS

Introduction

The Task Force finds that the distribution of stolen motor vehicles and vehicle parts in the Commonwealth vitally affects the general economy of the state, the public interest and the general welfare. The Task Force further finds that the law enforcement community has practically total lack of control in our jurisdiction over the operation of motor vehicle salvage and scrap processing operations. Police cannot enter onto the premises of these dismantlers, shredders, and compactors without a search warrant - a cumbersome and unwieldy process. The Task Force further finds that the Commonwealth's utter lack of control over this aspect of the motor vehicle is a wide open invitation to all manner of skullduggery - car theft, title substitution, destruction of evidence, etc. There is every good reason to suspect that dead human bodies are disposed of in scrap processing operations from time to time.

In this regard, the Task Force specifically finds that - unwittingly or not - some vehicle recyclers, vehicle dismantlers and scrap processors are involved in these criminal practices. To be sure, there are many honest and reliable persons in such trades.

With regard to scrap processors, the Task Force specifically finds - again, unwittingly or not - that such operations significantly facilitate the trafficking in stolen motor vehicles by serving as a ready disposal for evidence of such operations. Further, the Task Force specifically finds that scrap processors are not manufacturers, and as such, can and must be subject to state administrative controls.

The Task Force is mindful of the vehement, and almost vitriolic objection on the part of the scrap processors' trade association to any statutory law enforcement controls, but finds that the paramount duty to the protection of the public overrides such criticism. In short, there is no legitimate reason why our law enforcement agencies should not have a statutory right of access onto the premises of scrap processors during reasonable business hours. Moreover, there is no legitimate reason why scrap processors should not be subject to certain, limited record-keeping requirements. The protection of the properties of the public demands as much.

The Task Force recognizes that a control structure over such operations must be practical and feasible, and must not inhibit sound and honest business practices. Our recommendations in this area will not violate this principle.

Licensing and Regulation of Vehicle Recyclers and Scrap Processors

The Task Force, therefore, finds it imperative that in order to prevent the trafficking in stolen vehicle parts and to prohibit irresponsible, unreliable or dishonest persons from engaging in the salvage business, the Commonwealth, in the exercise of its police power, license and regulate vehicle recyclers and scrap processors doing business in the Commonwealth. This licensing structure would: (a) require vehicle recyclers and scrap processors to obtain a permit before conducting business; (b) require the keeping of certain records; and (c) permit inspection of records and inventory during reasonable business hours.

Presently, vehicle recyclers are subject to licensing in well over half of the states in the nation. Scrap processors are subject to a regulatory structure in at least six states - Illinois, Michigan, New York, Ohio, Texas and Virginia.

The "Salvage Switch"

Salvage motor vehicles are those motor vehicles which are substantially wrecked or damaged to the extent that such vehicles are a total loss and, thus, are no longer fit for operation on the highway.

One may consider salvage vehicles to be, for the most part, useless junk. These vehicles, however, - particularly late model ones - often command the payment of prices which far exceed the legitimate value of the salvage. These high prices are paid for salvage so as to obtain two items which immeasurably facilitate the fencing operations of commercial motor vehicle theft rings. These items are the certificate of title and the vehicle identification number plate of the salvage vehicle, also known as the VIN plate.

A stolen motor vehicle may be readied for fencing in the legitimate market by changing the title and identification of the stolen motor vehicle. This is done by substituting the title and VIN of a salvage vehicle for the title and VIN of the stolen vehicle.

This, of course, requires that the salvage VIN be used to replace a disguised, altered or obliterated true VIN of the stolen vehicle. In this regard, the extent of the VIN alteration varies with the sophistication of the motor vehicle theft ring. Investigation and prosecution of these motor vehicle theft rings has disclosed that most of these rings replace the public VIN plate from the stolen vehicle with the VIN plate from the salvage vehicle of the same year and model.

The public VIN plate is the plate usually found on the dashboard or on the inside of the front door post on the driver's side of the automobile. Some theft rings take the disguising operation one step further by removing all other true VIN's on the motor vehicle and restamping them with the false VIN from a salvage vehicle or with another false VIN which corresponds with a counterfeit title.

To help defeat this salvage activity, the Task Force recommends, among other measures, that the public VIN plate not be removed from the salvage vehicle. Presently, Massachusetts is one of the only states which requires the removal of the VIN plate when a vehicle is being scrapped. There is almost universal agreement now that the better practice is to require that the VIN plate remain on the vehicle right through the crushing process.

To help defeat the "salvage vehicle switch", the Task Force recommends enactment of a salvage title law which would assist in establishing proof of ownership, provide a vehicle audit trail, and most importantly, remove the standard title document from the marketplace so that it cannot be used for illegal vehicle transactions. (See Exhibit 1).

A salvage titling process would require the owner of a salvage vehicle to surrender the original title, provide for issuance of a salvage title, and require an insurer to surrender the original certificate of title for a salvage vehicle which it acquires. To convey the vehicle, the owner obtains a "salvage certificate" from the Registry for a small fee, and then transfers title to the salvage vehicle by assigning the salvage certificate to the purchaser.

Twenty-one states presently follow this practice of issuing a salvage title certificate or a permit to dismantle after receiving the certificate of title from the owner.

Second-Hand Motor Vehicle Dealers

The Task Force unanimously adopted several recommendations made by the Boston Police Department Auto Theft Squad increasing the penalties for second-hand dealers who violate the record-keeping requirements of Section 32 of Chapter 90 or Sections 68 or 69 of Chapter 140 of the General Laws. In those cases, the Task Force supports increasing the maximum amount of a fine to \$1,000 and favors establishing a new jail term for such violators of one year. In cases of repeated violations, the Task Force recommends that the Attorney General be empowered to seek injunctive relief against such persons.

EXHIBIT 1

SALVAGE CERTIFICATE SAMPLE

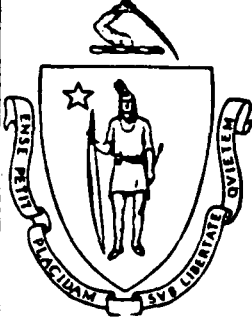
		MASSACHUSETTS REGISTRY OF MOTOR VEHICLES 100 NASHUA ST. BOSTON, MASS. 02114 SALVAGE CERTIFICATE	
NAME AND ADDRESS OF OWNER(S) OF SALVAGE VEHICLE			
NAME _____			
ADDRESS _____			
CITY _____			
YEAR	MAKE	VEHICLE IDENTIFICATION NUMBER	ODOMETER READING
TITLE NO. SURRENDERED	DATE	FEE \$5.00	CONTROL NUMBER
REASON FOR SALVAGE:			
COLLISION <input type="checkbox"/> FIRE <input type="checkbox"/> SUBMERGED <input type="checkbox"/> OTHER CASUALTY <input type="checkbox"/>			
THIS IS TO CERTIFY THAT A CERTIFICATION OF A TOTAL LOSS CLAIM HAS BEEN FILED WITH THE REGISTRY OF MOTOR VEHICLES IN THE NAME OF THE INSURER/INSURED SHOWN HEREON AND CONSTITUTES EVIDENCE OF OWNERSHIP IN LIEU OF THE CERTIFICATE OF TITLE SURRENDERED TO THE REGISTRY OF MOTOR VEHICLES UPON ISSUANCE OF THIS DOCUMENT.			
THIS VEHICLE MAY NOT BE TITLED AND REGISTERED UNTIL IT HAS BEEN RESTORED, INSPECTED AND CERTIFIED BELOW.			
I, the undersigned authorized representative of the REGISTRY named below, hereby state that I have inspected the vehicle described above and verified the vehicle identification number.			
DATE	INSPECTORS SIGNATURE		BADGE NO.
FIN. TR. NUMBER		REGISTRARS OFFICIAL STAMP	

EXHIBIT 1

(Continued)

Reverse Side

ASSIGNMENT OF SALVAGE CERTIFICATE	
FOR VALUE RECEIVED THE UNDERSIGNED HEREBY TRANS- FERS AND SELLS THE SALVAGE VEHICLE DESCRIBED HEREON TO:	
FIRST ASSIGNMENT	NAME STREET & NO.
	CITY STATE ZIP
	AUTHORIZED SIGNATURE
SECOND ASSIGNMENT	NAME
	CITY STATE ZIP
	SELLER(S) NAME AUTHORIZED SIGNATURE
THIRD ASSIGNMENT	NAME
	CITY STATE ZIP
	SELLER(S) NAME AUTHORIZED SIGNATURE
FINAL DISPOSITION OF SALVAGE VEHICLE THE UNDERSIGNED HEREBY CERTIFIES THE VEHICLE DESCRIBED ON THE FACE OF THIS DOCUMENT HAS BEEN COMPRESSED FOR SCRAP METAL.	
DATE COMPRESSED	OWNER (COMPANY)
AUTHORIZED SIGNATURE	
FALSE STATEMENTS ARE PUNISHABLE BY FINE, IMPRISON- MENT OR BOTH.	

Reporting Procedures

The Task Force recommends that the Commonwealth establish a standard reporting procedure for all police departments upon the theft or misappropriation of a motor vehicle. This would entail three changes in present practices.

First, the Task Force recommends that a standard reporting form be used by all city and town police departments in the Commonwealth. Such forms would be presented by the Registrar of Motor Vehicles, after consultation with the Commissioner of Insurance and the Massachusetts Chiefs of Police Association. (See Exhibit 2).

A second requirement would be the filing by the car owner of a written report with local police of the theft of a vehicle. The filing of a false written report would be made a new criminal offense with short, sure jail sentences for repeat offenders. (See Criminal Insurance Fraud section, pages 60 - 65). This requirement would deter those otherwise law-abiding citizens who now engage in criminal insurance fraud. In view of the fact that auto theft investigators estimate 25% of all reported auto thefts in the Commonwealth to be fraudulent, the requirement of a written report would enable authorities to maintain a more accurate crime index of "true" motor vehicle theft in a particular locality, and thereby allow for a police response to be based on an honest theft index. Eventually, a decrease in police manpower requirements may be the result of such a requirement.

STOLEN/RECOVERED MOTOR VEHICLE REPORT EXHIBIT 2

Record #	Inc Code	Geo Code
LEAPS #	NCIC # (LWENSON)	

Please print in unshaded areas

Year of Veh: Auto Truck Motorcycle Other On road Off road

Date & time Rptd to P.D.	Date & time of occurrence	Location of occurrence
--------------------------	---------------------------	------------------------

License Plate #	State	Vehicle Id#	Make	Model	Year	Body Style	Color
-----------------	-------	-------------	------	-------	------	------------	-------

Insurance Company	Ins. Agent
-------------------	------------

Owner Name	Address	Res phone	Bus phone
------------	---------	-----------	-----------

Owner Name	Address	Res phone	Bus phone
------------	---------	-----------	-----------

Location of Veh	Est Value
-----------------	-----------

ables in Veh	Est Value
--------------	-----------

Doors locked?	Keys in Veh?	Keys in ign?	Veh alarmed	Type of Anti-theft dev
yes <input type="checkbox"/> no <input type="checkbox"/>	yes <input type="checkbox"/> no <input type="checkbox"/>	yes <input type="checkbox"/> no <input type="checkbox"/>	yes <input type="checkbox"/> no <input type="checkbox"/>	_____

Person filling this report
 Name: _____ Address _____ Phone _____

Available for Court? yes no
 WHOEVER KNOWINGLY MAKES FALSE STATEMENTS/REPORTS
 IS SUBJECT TO FINE OF \$1000 or HOUSE OF CORRECTION
 SENTENCE IN ACCORDANCE WITH MGL Ch 266, Sec 34A

Signature: _____
 Driver's license # _____

Report Received By
 Officer: _____ Rank: _____ Number: _____

RECOVERED MOTOR VEHICLE REPORT	LEAPS Cancellation #	Operator
--------------------------------	----------------------	----------

Date Recovered	Time Recovered	Location of Recovery
----------------	----------------	----------------------

Recovered By	Owner Notified
_____	Date: _____ Time: _____ By: _____

Reported by	Reason for Tow	Tow authorized by
-------------	----------------	-------------------

Keys in Veh	Running condition	How Stolen
yes <input type="checkbox"/> no <input type="checkbox"/>	yes <input type="checkbox"/> no <input type="checkbox"/>	_____

Condition of Vehicle

Location of Vehicle (if impounded, name & address of garage)

Officer Making Recovery Report	Owner's Signature
--------------------------------	-------------------

Color - Police Dept; Yellow - Owner; Pink - Ins. Co. via owner

Finally, the Task Force recommends that upon the recovery of a stolen or misappropriated motor vehicle the local city or town department notify the Registry of Motor Vehicles.

THE LAW ENFORCEMENT RESPONSE

Introduction

Pursuant to Executive Order No. 170, the Governor established a Subcommittee of the Task Force composed of the Chiefs of Police of the cities and towns with the highest incidence of auto theft in the Commonwealth. The Subcommittee's charge was to develop a cooperative effort and an increased commitment of resources in combatting automobile theft on the part of the law enforcement community.

The police chiefs examined the present law enforcement response to the problem and made a series of recommendations, which were unanimously accepted by the Task Force.

The Task Force recognizes the need for a cooperative effort among local, state and federal law enforcement officials and the need for an increased commitment of resources to combat auto theft in the Commonwealth.

Auto Theft Squads

The Task Force recommends that there be a reallocation of resources within local and state law enforcement agencies, to establish specialized auto theft officers or squads when resources permit. Such reallocation will, of course, vary greatly among communities because of such factors as city or town size, manpower resources, budgetary constraints and other law enforcement needs.

The Task Force recognizes, however, that auto theft has become a million dollar racket and as such, cannot be beaten by a "nickel and dime" operation. We, therefore, suggest full funding for all increased law enforcement programs recommended by this Report.

The Task Force recognizes that cooperation among local, state and federal law enforcement agencies is essential to insure success in this endeavor because organized car thieves do not respect geographical or political boundaries. In this regard, the Task Force recognizes the vital functions performed by several agencies today.

The Registry of Motor Vehicles, for example, has computerized data which contains all motor vehicle files and can provide continuing inspection of auto body shops, auto repair shops, and salvage dealers. This agency is an integral part of our efforts to control auto theft.

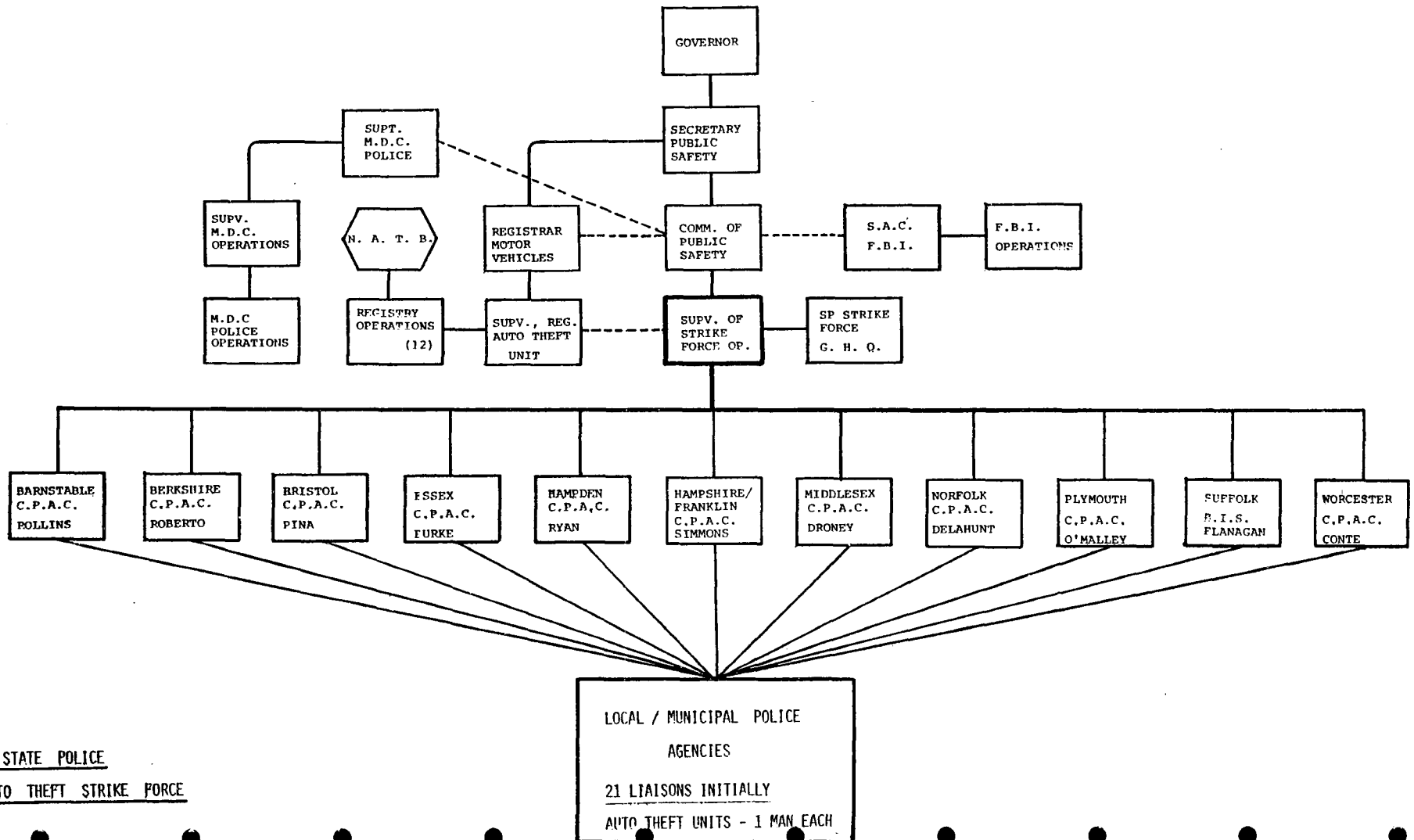
The State Police, with specialized investigative expertise, have many well-trained officers with vast experience in conducting undercover investigations and in ferreting out organized crime. Since members of such organized illegal enterprises make it their business to recognize on sight local police officers, state police officers are usually more anonymous in local communities and thus are better suited to assist in many local investigations.

With regard to these organizations, the following recommendations are made:

- . establish a State Police Auto Theft Unit (see Figure 15); and
- . strengthen the Registry of Motor Vehicles Auto Theft Squad by increasing the number of Registry Inspectors assigned to this Unit by not more than 25 persons (if feasible).

FIGURE 15

GOVERNOR'S AUTO THEFT STRIKE FORCE - MASSACHUSETTS STATE POLICE



-78-

Police Training

The police community must be made fully aware of the total nature and scope of the auto theft problem. As our auto theft rate indicates, no major comprehensive effort has yet been made to address the problem. Traditionally, police training has provided officers with an adequate knowledge of laws dealing with auto theft but has not directed police efforts to sharpening the skills needed to deal with organized auto theft.

The Task Force, therefore, recommends that police training be upgraded in all areas relating to the investigation and enforcement of auto theft.

- Recruit Training. The recruit training curriculum should be structured to include not only education in the law pertaining to auto theft but also to provide knowledge essential to enhance the officers capability in combatting auto theft.
- In-Service Training. In-service training should be an extension of recruit training, and must reflect the latest trends and techniques dealing with auto theft.
- Specialized Training. Regardless of size, many departments do not have the personnel with developed skills necessary to deal with auto theft on a full-time basis. Manpower assigned to auto theft may vary with the size of the department, auto theft experience and many other factors. We need, in short, a great many more officers who possess not only legal knowledge but enough mechanical skill and detailed knowledge of professional car theft operations to effectively deal with the problem.

To achieve this level of skill, intensified programs combining classroom and field training must be provided to as many officers as possible to implement the law enforcement phase of an all-out attack on auto theft in Massachusetts.

At present, the Massachusetts Criminal Justice Training Council administers fourteen regional training academies throughout the Commonwealth at the recruit level, and provides over 100 in-service and specialized training courses. The present level of funding is barely adequate to meet its present training commitments. The Task Force, therefore, recommends that additional funds be allocated to the Massachusetts Criminal Justice Training Council to deal specifically with the auto theft problem. This additional funding could be provided by the Commonwealth, insurance industry support, or possibly federal funding.

Priority Prosecution

The Task Force recommends that auto theft crimes be given priority prosecution by all District Attorneys in the Commonwealth.

Federal Funds

The Task Force is aware that many of these recommendations will require increased governmental expenditures. We recommend to the Governor that the increased state law enforcement response be matched by an appropriations request. Moreover, regarding federal funds, we note that a recent analysis of Massachusetts law enforcement needs conducted by the Massachusetts Committee on Criminal Justice concluded that motor vehicle theft was the top priority for the disbursement of federal funds for next year, 1981.

•

•

•

•

•

•

•

•

•

•

•

PUBLIC AWARENESS CAMPAIGN

Introduction

A massive public awareness campaign is a necessary first step in addressing the auto theft problem. All segments of society must be made aware that car theft involves much more than merely "joyriding", that it has increasingly become an organized and highly lucrative business which takes the form of "chop-shops", insurance frauds, salvage switches and various other schemes.

It is necessary to raise the level of consciousness of the public so that they will make the necessary efforts to combat auto theft. The Task Force, therefore, highly recommends the proposed statewide, multi-year awareness campaign prepared and implemented by the Massachusetts Crime Prevention Bureau in cooperation with the Executive Office of Public Safety, the National Auto Theft Bureau, the Massachusetts Registry of Motor Vehicles, the automobile insurance industry and other organizations.

MPI

MUNICIPAL POLICE INSTITUTE

176 Central Street
Hudson, Massachusetts 01749
(617) 562-7571

Chief William J. Carlin, Chairman
Joseph P. Shannon, Executive Director

STOP THIEF

A proposal for a statewide automobile anti-theft informational program.

Massachusetts Crime Prevention Bureau

Chief John J. Hanlon
Chairman

Joseph P. Shannon
Executive Director

John R. Haddon
Program Director

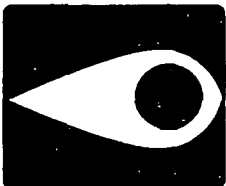
MUNICIPAL POLICE INSTITUTE

The Municipal Police Institute (MPI) is a private nonprofit corporation. As an affiliate of the Massachusetts Chiefs of Police Association, the project's goal has always been:

To provide the cities and towns of the Commonwealth of Massachusetts with a permanent technical assistance resource capable of aiding the police chiefs of Massachusetts in their efforts to improve municipal police management, administration, and operations.

The Massachusetts Crime Prevention Bureau is a division of MPI, administers the Massachusetts CRIME WATCH Program, and maintains a crime prevention resource center and information service; designs pilot crime prevention programs for use by cities and towns throughout the Commonwealth, and provides technical assistance to local crime prevention practitioners, in all aspects of crime prevention planning and implementation.

MASSACHUSETTS
**CRIME
WATCH**



THE PROBLEM

Massachusetts has the highest auto theft rate in the United States.

In Massachusetts the annual cost of vehicles not recovered is \$50,035,860. The lost value of recovered vehicles is \$38,099,498.

Nationally, Americans lose about one billion dollars in insurance claims and \$943 billion dollars for all costs of the criminal justice system in combatting auto theft.

The crime is both offender initiated and owner initiated.

There is a need for improved reporting procedures related to auto theft.

There is a need for changes in salvage title law and scrap processing.

There is a need to review procedures within the regulatory system that could reduce incentives to auto theft.

There is a need for major changes in the criminal statutes related to auto theft and fraud.

THE RESPONSE

The proposed program will educate major target groups regarding the nature and extent of the problem, and the solutions and actions recommended by Governor King's Task Force on Automobile Theft.

TARGET GROUPS

The appropriate sections of the automotive industry.

The appropriate sections of the insurance industry.

Law enforcement personnel.

Teachers, students.

Community centers-of-influence persons.

The public.

THE PROGRAM

The Municipal Police Institute proposes a multi-year statewide public awareness campaign to be called "STOP, THIEF" to be prepared and implemented by the Massachusetts Crime Prevention Bureau. The program will be undertaken with the cooperation of the office of the Secretary of Public Safety, the National Automobile Theft Bureau, the Massachusetts State Police, the Registry of Motor Vehicles, and local law enforcement and fire organizations; also the insurance companies through their trade associations, the American Insurance Association, the Alliance of American Insurers, the National Association of Independent Insurers, and the independent insurance agents through their trade associations, the Professional Agents Association of Massachusetts and the Independent Insurance Agents of Massachusetts; also the National Automobile Theft Bureau, the American Automobile Association, the Automobile Legal Association, the business community and other interested organizations.

EXISTENCE OF A COMMUNICATIONS NETWORK

To be successful, an informational and educational project requires widespread local publicity, promotion, and support. The Commonwealth has, in place and effectively operating, a network devoted to crime prevention information. As a result of the activities of Massachusetts CRIME WATCH - the official crime prevention program - there is an efficient and cost-effective way of distributing printed matter, reaching all media, as well as local law enforcement, political, and civic authorities and leaders.

More than 200 local police departments in Massachusetts are participating in crime prevention activities. These departments, plus additional active contacts they have with the Womens' Clubs, Exchange Clubs, Rotary Clubs and other service groups, can move very quickly and enthusiastically into an Automobile Theft Awareness Operation.

Our proposed project, then, is designed to take full advantage of the crime prevention communications network which already exists.

MEDIA SEMINARS

Seminars will be organized and implemented for the media in:

- the Boston area
- the Springfield area
- the Pittsfield area
- the Worcester area
- the New Bedford-Fall River area
- the Lawrence-Lowell area
- the Cape Cod area.

SEMINAR CONTENT

Information on the economics of car theft, including the resulting higher rates of insurance premiums and the additional costs car thefts bring for law enforcement.

Prevention instruction, including locking cars and pocketing the key; safety and alarm devices, and parking security.

Information on the organized crime aspect of car theft, including "chop shops" and arson-for-profit.

Information aimed at the reduction of fraud and the elimination of incentives to auto theft and arson.

A "packaged program" will be developed for use by various target groups.

PUBLICITY AND PROMOTION
MATERIALS

Among the materials to be prepared and distributed are the following:

radio and TV spots
station identification announcements
for TV
billboards
print ads
envelope stuffers for utility/bank
billings
brochures
posters
a 16 mm motion picture

SPECIFIC BOOKLETS AND FILMS

Publications will include a "Consumer Guide to Motor Vehicle Anti-Theft Devices" and an up-to-date fact booklet on auto theft. One 16 mm film will be produced for airing on local TV and at seminars. The film will:

describe the motor vehicle theft problem and appeal for public understanding and individual participation and concern;

graphically show how cars are quickly entered by car thieves, and suggest ways to frustrate the thieves;

discuss "chop shops" and insurance fraud;

reveal, in detail, the true cost of car theft to each citizen of the Commonwealth.

CREATIVE APPROACH

We propose a creative approach based on what broadcasters call "the documentary form". This technique, when properly utilized, results in believable and often powerful messages presented in a "You Are There" format. The campaign will use statements - frequently in the actual voices - from victims of car theft, police officers, insurance executives, and other involved parties, including, perhaps, even car thieves themselves.

Emphasis will be placed not only on financial losses - when cars are stolen - but the rest of the cost: the inconvenience, the emotional disruption of the victim's business, family, and social life.

The campaign also will lean hard into the present facts of car theft: that only about 15% of all motor vehicle thefts involve "joyriding" - an increasing percentage of automotive-related crime is accounted for by insurance fraud as well as by professional criminals in "chop shops", salvage vehicle switch and similar activities.

RESOURCES

The Municipal Police Institute will commit the necessary resources to undertake the proposed project. This will include administration, one-full time program manager, one-full time secretary and necessary support staff.

Other resources will include office space and facilities, appropriate printing, and mailing, etc; some limited equipment and publicity expenses. Additionally, it is proposed that funds to provide an equipped evidence collection van be made available to the Department of Public Safety and to local police to enhance the law enforcement effort.

A portion of the budget is allocated as LEAA cash match for MPI's programs in crime prevention and criminal prosecution.

APPENDIX

List of Witnesses at
Public Hearings

GOVERNOR'S TASK FORCE ON AUTOMOBILE THEFT

TESTIMONY AGENDA

CHAIRMAN: Mr. Richard L. Malconian
Vice President and General Manager of Claims
Liberty Mutual Insurance Company
175 Berkeley Street
Boston, Massachusetts 02116
357-9500 x132

VICE-CHAIRMAN: The Honorable Paul Murphy
Presiding Justice
West Roxbury District Court
445 Arborway
Forest Hills - Jamaica Plain, Massachusetts 02130
(617) 522-4710

- | <u>I.</u> | <u>Introduction/Opening Remarks</u> | <u>Subject Matter</u> |
|---|--|---|
| A. | His Excellency, Edward J. King
Governor
State House, Room 360
Boston, Massachusetts 02133
727-3600 | Welcome & Opening
Remarks |
| B. | The Honorable George A. Luciano
Secretary of Public Safety
1 Ashburton Place, Room 2133
Boston, Massachusetts 02108
727-7775 | Opening Remarks |
| C. | Chairman Richard L. Malconian
Vice President and General Manager of Claims
Liberty Mutual Insurance Company
175 Berkeley Street
Boston, Massachusetts 02116
357-9500 x132 | Explanation of Executive
Order; Rules of Procedure |
|
<u>II.</u> <u>Overview of the Problem</u> | | |
| A. | Mr. Joseph F. McDonald
Manager, National Auto Theft Bureau
Eastern Division
175 Frohlich Farm Boulevard
Woodbury, New York 11787
(516) 921-0200 | National Overview |
| B. | Mr. Herbert L. Burr, Supervisor
Auto Theft Unit
Registry of Motor Vehicles
150 Causeway Street, Room 615
Boston, Massachusetts 02114 | Massachusetts Overview |

- C. Major John J. Regan
Massachusetts State Police
1010 Commonwealth Avenue
Boston, Massachusetts 02215
(617) 566-4500
State Police Overview
and Interpretation
- D. Mr. Harry Martens
First Senior Vice President
Claims Division
Commercial Union Assurance Company
One Beacon Street
Boston, Massachusetts
Insurance Fraud
- E. Detective Thomas McCabe
Auto Theft Squad
Boston Police Department
154 Berkeley Street
Boston, Massachusetts 02116
(617) 247-4468
Street Perspective-Boston
- F. Professional Auto Thief #1
- G. Professional Auto Thief #2

III. Investigation and Enforcement

- A. Mr. John W. Staudt
President, Northeast Chapter
International Association of
Auto Theft Investigators
Detective, Nassau County
Police Department
1490 Franklin Avenue
Mineola, New York 11501
(516) 420-5274
"Chop Shops"
- B. Mr. Ronald C. Van Raalte
President, International Association
of Auto Theft Investigators
Arlington Heights Police Department
Arlington Heights, Illinois
(312) 253-2340
Need for Improved
Law Enforcement Response
- C. Mr. Joseph A. O'Keefe
State Fire Marshall
1010 Commonwealth Avenue
Boston, Massachusetts 02215
566-4500
Arson Problem Relative
to Motor Vehicles
- D. Mr. Thomas A. Nolan, for the President of
the Fire Chiefs Association of Massachusetts
c/o Chief, Saugus Fire Department
Saugus, Massachusetts 01906
Arson Problem Relative
To Stolen Motor Vehicles

- E. Mr. Howard Marks
United States Senate
- Government Affairs Committee
Permanent Subcommittee on Investigations
Washington, D.C. 20510
(202) 224-1114
Current Congressional Investigation; Explanation of S.1214, the Federal Motor Vehicle Theft Prevention Act of 1979
- F. Mr. Don Hansen and Mr. Charles Santoro
Quincy Police Department
442 Southern Artery
Quincy, Massachusetts 02169
472-0862
Integrated Criminal Apprehension Program ("ICAP")
- G. Sergeant David Omans
Worcester Police Department
9-11 Lincoln Square
Worcester, Massachusetts 01608
798-7000
Example of "ICAP" Success
- H. Mr. Gary F. Egan, Director
and Mr. Martin Corey
Massachusetts Criminal Justice
Training Council
1 Ashburton Place, Room 1310
Boston, Massachusetts 02108
727-7827
Law Enforcement and Criminal Justice Training

IV. Prosecution and Adjudication

- A. Mr. Paul E. Troy
Assistant United States Attorney
1107 McCormack Post
Office and Courthouse
Boston, Massachusetts 02107
(617) 223-4276
Federal Prosecution
- B. Mr. Kevin Riordan
Assistant District Attorney
Worcester County Courthouse
Worcester, Massachusetts 01608
(617) 756-2441 or 755-8601
Legislative Reform - Auto Theft
- C. Mr. Gerald Kirby
Assistant District Attorney
Norfolk County
618 High Street
Dedham, Massachusetts 02026
(617) 326-1600
Proposals for New Laws to Facilitate Prosecution of Auto Theft Cases

D. Mr. John A. Kiernan
Assistant District Attorney
Suffolk County - New Courthouse
Pemberton Square
Boston, Massachusetts 02107
(617) 725-8600

The "Career Criminal";
the Success of Mandatory
Sentencing

V. Legislation, Laws and Regulations

A. Mr. Stephen Weglian
Auto Theft Legislation Specialist
U.S. Department of Justice
- Criminal Division
Room 516 - FTRI
Washington, D.C. 20530
(202) 724-6961

National Overview

B. Mr. Craig Lovitt
Executive Assistant
Office of Secretary of State Alan J. Dixon
Room 213 - The Capitol
Springfield, Illinois 62756
(217) 782-4030

The Illinois Plan

C. Mr. John W. Spillane
390 Main Street
Worcester, Massachusetts 01608
(617) 756-4342

Massachusetts Iron
and Metal Processors
Association

D. Mr. Richard Coburn
Director
Title Division
Registry of Motor Vehicles
150 Causeway Street, 6th Floor
Boston, Massachusetts 02114
(617) 727-8514

Salvage Title Laws

E. Mr. Russell F. McKinnon, CAE
Executive Vice President
Automobile Distributors and
Recyclers of America
1000 Vermont Avenue, N.W.
Washington, D.C. 20005
(202) 628-4634

Salvage Dealers

VI. Auto Theft Prevention/Crime Prevention

- A. Mr. Joseph P. Shannon
Municipal Police Institute
176 Central Street
Hudson, Massachusetts 01749
562-7571
MPI/MCPB - Role
Statewide
Campaign Proposal
- B. Mr. Sidney A. Dimond
Massachusetts Crime Prevention Bureau
176 Central Street
Hudson, Massachusetts 01749
562-1125
Mechanics of Above
- C. Mr. Rudy H. Brushwood
Director - Auto Claims
The Hartford
Hartford Plaza
Hartford, Connecticut 06125
(203) 547-4731
Viewpoint of Support
& Participation by
Insurance Industry
- D. Mr. Richard Hoover
Director of Public Relations and Safety
American Automobile Association/
Massachusetts Division
1280 Boylston Street
Chestnut Hill, Massachusetts 02167
738-6900
Citizen Participation
in Anti-Auto Theft
Campaign
- E. Mr. Paul G. O'Friel
Vice President
New England Region
American Insurance Association
One State Street
Boston, Massachusetts 02109
(617) 227-4172
Need for Anti-Theft
Legislation in
Massachusetts
- F. Mr. Richard F. Ingegneri
Claims Counsel
American Insurance Association
85 John Street
New York, New York 10038
(201) 388-5700
Immunity Laws For
Reporting Actions
By Insurers
- G. Mr. Joseph P. Hegarty, Jr.
Regional Vice President and Counsel
Alliance of American Insurers
New England Office
20 Ashburton Place
Boston, Massachusetts 02108
(617) 742-6388
Support for Anti-
Auto Theft Efforts;
Recommendations

- | | | |
|-----|--|--|
| H. | Mr. Joseph R. Nedrow
New England Regional Manager
Industry - Governmental Relations
General Motors Corporation
Suite 3150
Sixty State Street
Boston, Massachusetts 02109
(617) 742-9150 | Manufacturers Experience
in Curbing Auto Theft |
| I. | Mr. Luke Dillon
Staff Counsel for
Representative Raymond M. LaFontaine
Chairman, Joint Committee on Insurance
State House - Room 254
Boston, Massachusetts
(617) 727-4900 | Interest of Legislative
Insurance Committee in
Curbing Auto Theft |
| J. | Mr. John McCloskey
President, "Identicar"
Acme Glass Co.
217 West Central Street, Route 135
Natick, Massachusetts
(617) 653-8650 | "Identicar" Program |
| J. | Mrs. Margaret Haverty
Member of Governor's Task
Force on Automobile Theft | Victim Experiences |
| VI. | <u>Members of the Public</u> | |
| | Mr. William Blake, President
Mr. John S. Marani
E.S.C.A.P.E.
15 Manomet Street
Brockton, Massachusetts | Need for Criminal
Sentencing Reform |
| | Mr. Ernest LeClair | Anti-Theft Device |
| | Mr. John Castanino | Anti-Theft Device |
| | Mr. Charles P. O'Neil | Victim's Experiences |
| | Superintendent Edward Connolly | Need for Legislation
to Deal with High Speed
Chase/Police Response |
| | Mr. Maurice F. Joyce | Anti-Theft Device |
| | Mr. Leonard Fishman
Auto Insurance Agents of Massachusetts | |

Mr. Joel S. Dorfman
190 Mountain Avenue, #205
Malden, Massachusetts 02148

Need for Better
Locking Devices;
Better Police Response

Mr. Harvey Kertzman
Executive Director
Car Owners' Patrol, Inc.
P.O. Box 275
Westwood, Massachusetts 02090

Recommendations to
Curb Auto Theft

GOVERNOR'S TASK FORCE ON AUTOMOBILE THEFT

DAY 1 - JANUARY 16, 1980

SPEAKER

Governor, Edward J. King

Swearing in of Task Force Members
by the Governor

Secretary, George A. Luciano

Richard L. Malconian

Joseph F. McDonald

Herbert L. Burr

Major John Regan

Harry Martens

National Auto Theft Bureau Film:
"Cool Plate, Hot Car"

Detective Thomas McCabe

Professional Auto Thief #1

Rufus H. "Tinker" Whittier -
Demonstration of Auto Thief Techniques

John W. Staudt

Adjourn

GOVERNOR'S TASK FORCE ON AUTOMOBILE THEFT

DAY 2 - JANUARY 17, 1980

SPEAKER

Ronald C. Van Raalte

Joseph A. O'Keefe

Thomas A. Nolan

Howard Marks

Don Hansen/Charles Santoro

David Omans

Gary F. Egan/Martin Corey

Paul E. Troy

Kevin Riordan

Gerald Kirby

John A. Kiernan

Stephen Weglian

Craig Lovitt

John W. Spillane

Adjourn

GOVERNOR'S TASK FORCE ON AUTOMOBILE THEFT

DAY 3 - JANUARY 18, 1980

SPEAKER

Russell F. McKinnon

Joseph P. Shannon

Sidney Dimond

Ruby H. Brushwood

Richard Hoover

Paul O'Friel/Richard F. Ingegneri

Joseph P. Hegarty, Jr.

John McCloskey

William Blake/John S. Marani

Members of the Public

Margaret Haverty

Ernest LeClair

John Castanino

Charles P. O'Neil

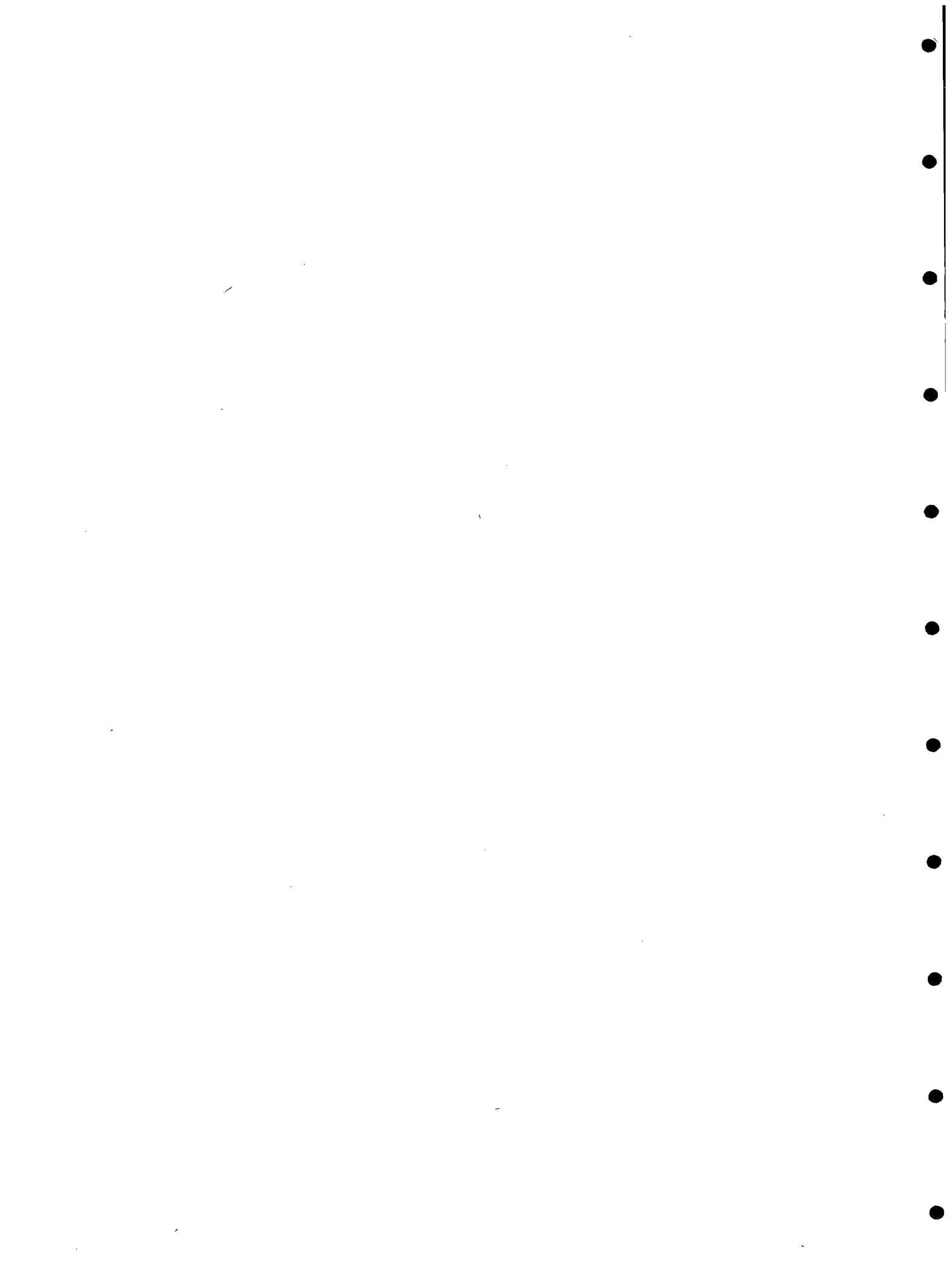
Edward Connolly

Maurice F. Joyce

Joel S. Dorfman

Leonard Fishman

Harvey Kertzman



APPENDIX

An Outline of Private
Organizations, Trade Associations,
Governmental Involvement

AN OUTLINE OF MEMBERSHIP AND WITNESSES

A. PRIVATE ORGANIZATIONS AND TRADE ASSOCIATIONS INVOLVED

Trade Associations and other private organizations, representing the automobile parts industry, manufacturers, and insurers, have a compelling interest in preventing and curtailing automobile theft. While the overwhelming concern may be financial, the public interest is also of importance to them. If consumers are not protected from car thieves and unscrupulous parts dealers, it is legitimate business whose reputation and bank accounts suffer. Accordingly, many private organizations and trade associations have participated in the Governor's Task Force either by representation on the Task Force itself or as witnesses at its public hearings.

The following are brief statements about some of these non-governmental groups and an indication of the nature of their participation in the Task Force's proceedings.

I. National Automobile Theft Bureau

The National Automobile Theft Bureau (NATB) is a non-profit service organization supported by approximately 500 insurance companies writing automobile, fire and theft insurance. Established in 1912, NATB is the only national trade association devoted exclusively to combating automobile theft. It actively assists law enforcement agencies in:

- o suppressing vehicle thefts including heavy, industrial and marine equipments;
- o identifying vehicles or equipment bearing altered or obliterated identification numbers;
- o investigating professional theft rings and frauds;
- o conducting police officer education in vehicle identification and theft investigative techniques; and
- o maintaining a modern computerized record system designed to complement the foregoing objectives.

To carry out its objectives and to provide efficient and timely service, the NATB maintains divisional officers in Atlanta, Chicago, Dallas, New York, and San Francisco. Branch offices are located in Boston, Detroit and Los Angeles. All of the offices are equipped with modern, high-speed data terminals giving them full access to NATB's Chicago based North American Theft Information System (NATIS), which is primarily available for use by law enforcement agencies.

Membership on Task Force:

Mr. Paul Gilliland
President
National Auto Theft Bureau
10330 South Roberts Road
Palos Hills, Illinois 60482
(312) 430-2430

Witness at Public Hearings:

Mr. Joseph F. McDonald
Manager, Eastern Division
National Auto Theft Bureau
175 Frohlich Farm Boulevard
Woodbury, New York 11787
(516) 921-0200

II. Automotive Dismantlers and Recyclers of America

The Automotive Dismantlers and Recyclers of America (ADRA) is a national trade association representing the used automotive parts industry. ADRA is primarily concerned with the recovery and sale of parts from automobiles and trucks that have been wrecked or otherwise rendered inoperable as transportation vehicles. Dealer members purchase and dismantle these vehicles for component parts. Insurance companies and collision repair shops depend on used parts for the prompt restoration of damaged vehicles, and private owners rely on used parts for economical repairs and maintenance. Parts re-manufacturers solicit used part dealers for bulk quantities of rebuildable component parts. All of these parts provide a major source of relatively inexpensive replacement parts for the repair of millions of motor vehicles each year. Such parts, however, also provide a significant source of income for those involved in automobile theft. Estimates of income reaped from trading in stolen auto parts run as high as 40 percent of the \$2 - \$4 billion annual income derived from the auto theft business.

Because ADRA's 1300 direct members and approximately 5000 affiliated members are so affected by the stolen car business, both financially and otherwise, preventing and curtailing auto theft is of particular concern. The establishment of "chop shops" has damaged the credibility of legitimate automotive dismantlers and recyclers, causing them to lose profits, and in some instances, go out of business. As a result, ADRA has undertaken an extensive educational program directed at its members, governmental bodies, and consumers to inform them of the honesty of the overwhelming majority of people in the automotive parts industry.

Membership on Task Force:

Mr. William E. Boutwell
Past President,
Automobile Recyclers of Massachusetts

(Affiliate of A.D.R.A. Massachusetts Chapter)
Aberjona Auto Parts, Inc.
278-280 Salem Street
Woburn, Massachusetts 01801
(617) 933-4440

Witness at Public Hearings:

Mr. Russell F. McKinnon
Executive Director
Automobile Distributors and
Recyclers of America
1000 Vermont Avenue, N.W.
Washington, D.C. 20005
(202) 628-4634

III. American Association of Motor Vehicle Administrators

The American Association of Motor Vehicle Administrators (AAMVA) is a voluntary nonprofit, tax exempt, educational organization of state and provincial officials in the United States and Canada, responsible for the administration and enforcement of laws pertaining to the motor vehicle and its use. Founded in 1933, AAMVA is particularly concerned with the following:

- o developing programs in disciplines related to motor vehicle administration, police traffic services and highway safety;
- o serving as an information clearing-house for these same disciplines; and
- o serving as the singular spokesman for the interests cited above.

While AAMVA's primary concerns do not directly relate to auto theft, motor vehicle administrators, who are responsible for the administration and enforcement of motor vehicle and traffic laws, must deal with an array of problems caused by vehicle theft, such as those pertaining to proof of vehicle ownership. Accordingly, AAMVA strongly advocates the tightening of administrative controls regarding this particular measure. The objective would be to make it difficult to obtain counterfeit certificates of a unique Vehicle Identification Numbers (VIN), an identifier which would be designed to deter vehicle theft.

Witness:

Mr. Richard P. Coburn
Representative - Region I
American Association
of Motor Vehicle Administrators
Director, Title Division
Registry of Motor Vehicles
150 Causeway Street
Boston, Massachusetts
(617) 727-8514

IV. American Insurance Association

The American Insurance Association (AIA) is the trade and service organization of 149 property and casualty insurance companies. Founded in 1866, AIA claims to be the oldest and most representative association in its particular field of insurance. Its purpose is to provide a forum for industry problems through a Board of Directors, which is composed of member company representatives.

Because its members provide insurance coverage to millions of vehicle owners, AIA has an active interest and role in preventing auto theft. Recently, it sponsored a full page public issues advertisement in 16 of the nation's most influential magazines, stressing the economic consequences of auto theft to insurers and consumers. The advertisement also outlined approaches AIA's group of insurers have taken to alleviate the problem, and specified positive steps the public can take to help.

AIA's major thrust in combating auto theft, however, is its support of the National Automobile Theft Bureau (NATB). Additionally, it participates directly in the work of the Massachusetts Anti-Car Theft Committee. Moreover, AIA supports efforts to improve the security of vehicle titles and endorses NATB's VIN Edit System which maintains checks for incorrect or forged VIN's and provides informational tapes to member companies.

Witness at Public Hearings:

Mr. Paul G. O'Friel
Vice President
New England Region
American Insurance Association
One State Street
Boston, Massachusetts 02109
(617) 227-4172

Mr. Richard F. Ingegneri
Claims Counsel
American Insurance Association
85 John Street
New York, New York 10038

Mr. Donald C. Hillman
Peter Merrill Associates
148 State Street
Boston, Massachusetts

V. International Association of Auto Theft Investigators

The International Association of Auto Theft Investigators (IAATI) is a non-profit organization which represents about 1000 law-enforcement officers involved in auto theft investigations in the United States and Canada. A voluntary association, IAATI sponsors seminars on auto theft prevention and disseminates information on efforts to curtail thefts to its members through a newsletter published bi-monthly.

Witness:

Mr. Ronald C. Van Raalte
President, International Association of
Auto Theft Investigators
Sergeant, Arlington Heights
Police Department
Arlington Heights, Illinois
(312) 253-2340

Mr. John W. Staudt
President, Northeast Chapter
International Association of Auto
Theft Investigators
Detective, Nassau County Police Department
1490 Franklin Avenue
Mineola, New York 11501
(516) 420-5274

VI. Insurance Companies

Liberty Mutual

Mr. Richard L. Malconian
Vice President and
General Manager of Claims
Chairman, Governor's Task Force
on Automobile Theft

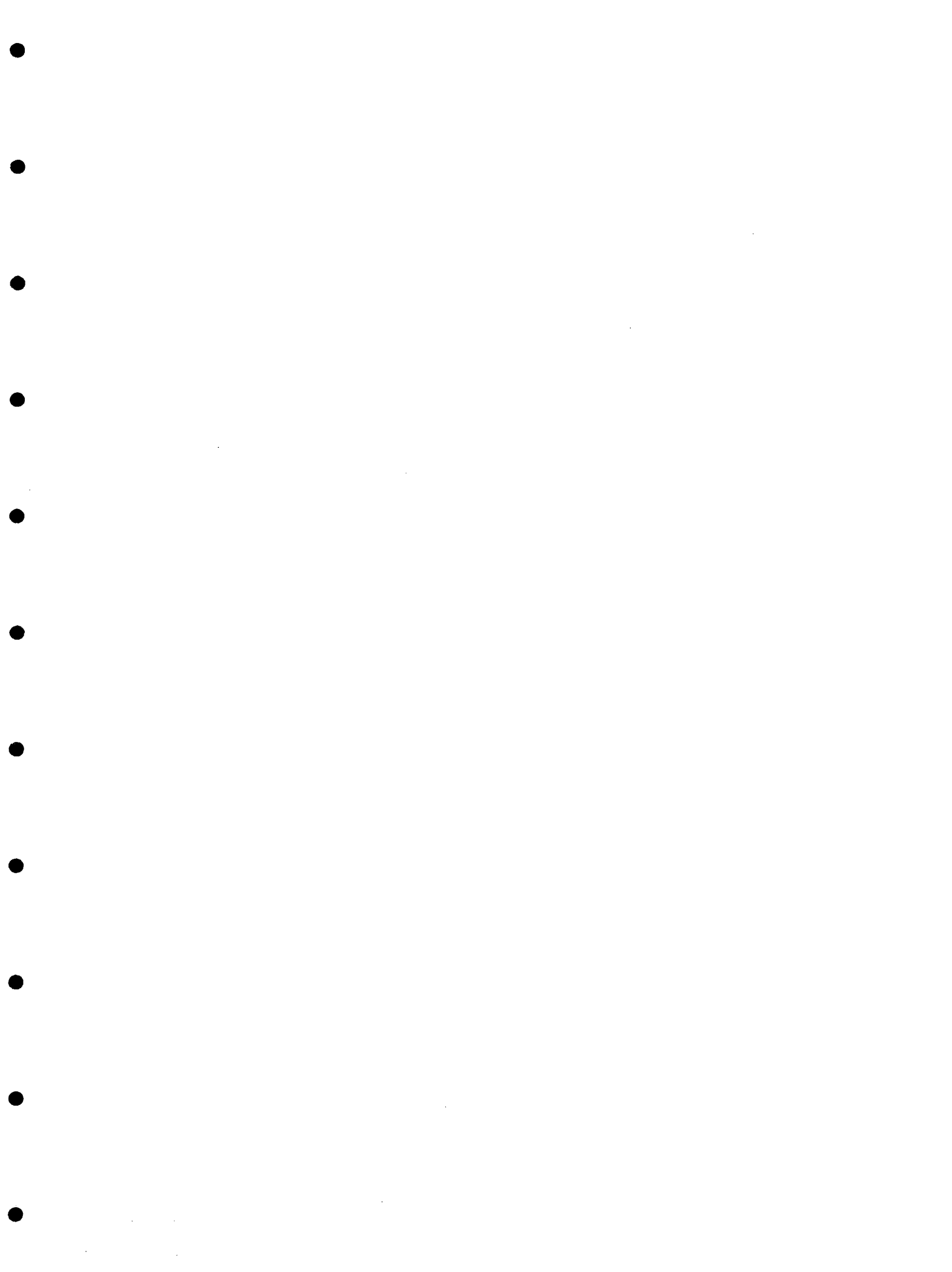
Commercial Union
Assurance Companies

Mr. Harry Martens
First Senior Vice President,
Commercial Union Assurance Companies
Chairman, Subcommittee on Insurance Fraud
Governor's Task Force on
Automobile Theft

VII. Massachusetts Iron and Metal Processors Association

This organization has five members who each conduct a scrap processing operation in Massachusetts. They employ over 500 people and represent a \$25 million capital investment.

Witness: John W. Spillane, Esquire
390 Main Street
Worcester, Massachusetts
(617) 756-4342





B. OTHER STATE PARTICIPATION
IN THE GOVERNOR'S TASK FORCE ON AUTOMOBILE THEFT

Several states lead the nation in their efforts to combat the auto theft problem. Most notable among them are New York, Illinois, and Michigan. The major thrust of such activity is toward achieving better control over the movement and identification of motor vehicles and major component parts, the intent being to cut down on the operation of illegal "chop shops", which dismantle stolen motor vehicles for their saleable parts. This is to be accomplished through the regulation of all businesses engaged in handling salvage motor vehicles or salvage parts.

The following is a summary of their recent actions and the nature of their participation in the Governor's Task Force on Automobile Theft.

New York

In 1978 and 1979, a number of motor vehicle theft bills were introduced in the New York Legislature. The lead sponsors of the bills in the Senate were Senators John D. Caemmerer and Joseph R. Pisani. The Assembly bills were the Governor's program bills. Insurance Superintendent Albert Lewis was a major catalyst for action in New York with he and his staff devoting many hours to the auto theft problem.

The New York bills were in response to an extremely high auto theft rate and to the realization that professional auto theft rings were stealing motor vehicles so that they could be stripped of their valuable major component parts. These bills were introduced after a public hearing on auto theft, conducted jointly by Senators Caemmerer and Pisani, revealed the magnitude of the problem.

Senate Bill 2249-A was enacted in the Fall, of 1979. The Act:

1. Requires the Superintendent of Insurance to submit an annual report to the Legislature at the beginning of each session which evaluates the impact of motor vehicle theft prevention programs by the Department of Motor Vehicles on automobile insurance rates;
2. Requires auto insurers to file premium credits for automobiles with anti-theft devices to be effective no later than August 1, 1980;
3. Requires auto insurers:
 - (a) to take possession of the salvage, including the Vehicle Identification Number, when a total loss, or a constructive total loss, claim is paid;
 - (b) to report total losses - including the VIN - to a central organization engaged in automobile loss prevention, as designated by the Superintendent of Insurance;
 - (c) to sell vehicles for salvage only to registered dismantlers, dealers, scrap processors, etc.;

- (d) to buy a major component part only from a registered dismantler or dealer;
 - (e) to comply with verification procedures as promulgated by the Superintendent of Insurance prior to payment of a total loss;
 - (f) to amend their policies to include a provision authorizing them to take an insured motor vehicle into custody for safekeeping when notified that the vehicle, which has been reported stolen, is located;
 - (g) to release information in their possession regarding any claim investigation to any appropriate law enforcement agency or the designated central organization engaged in automobile loss prevention, including any such information such agency deems related thereto. Immunities are provided the insurers and the central organization. The information is to be held in confidence until released pursuant to a criminal proceeding;
4. Makes the filing of a false auto theft claim a Class A felony (if the vehicle's value is less than \$250) or a Class E felony (if the vehicle's value is more than \$250);
 5. Requires the Department of Motor Vehicles to inspect junk and salvage vehicles and issue, if necessary, a special VIN prior to retail sale;
 6. Requires the D.M.V. to report the issuance of a special VIN to the designated central organization.

Witness at Public Hearings
(submitted written testimony):

Mr. Peter Derrick
Senate Transportation Committee
Room 811
Legislative Office Building
Albany, New York 12247
(518) 455-3344

Michigan

Michigan House Bill 5371, which was signed into law on December 13, 1978, becoming Public Act No. 507, amends the Michigan Vehicle Code to provide for the licensing and regulation of businesses engaged in wrecking, salvage or processing salvage vehicles for scrap. Such businesses will be required to maintain records of each vehicle bought, sold or exchanged.

The new law also requires the surrender of the title when a late-model vehicle becomes salvage. In return, the owner will receive a salvage certificate of title. Neither a new title nor registration plates could be issued for a vehicle for which a

salvage certificate was issued unless a police officer certified that the vehicle identification number was accurate, that the owner has proof of ownership of repair parts used, and that the vehicle complied with the Michigan Vehicle Code equipment standard. Police certificates would accompany the application for a new title for such a rebuilt vehicle. An insurance company which acquires a late-model vehicle through payment of damages due to an accident could not sell the vehicle without first receiving a salvage certificate which would be assigned to the buyer.

House Bill 5373, Public Act 494, signed December 11, 1978, provides criminal penalties for persons who remove or deface a manufacturer's serial number or the engine or motor number on a motor vehicle or who replace a part of a motor vehicle bearing the serial number or motor number of the vehicle with a new part, upon which the proper serial number or motor number has not been stamped.

Illinois

The Illinois Secretary of State, Alan J. Dixon, has been extremely active in trying to curb auto theft. As Secretary of State, he is Chief Administrator of the Motor Vehicle Laws and is responsible for the issuance of driver's licenses, certificates of title and other documents. Secretary Dixon has taken three initiatives against auto theft since he assumed office in January, 1977. First, he assigned a title verification unit in the Motor Vehicle Department headquarters, which examines two and one-half million titles per year for suspicion of alteration. His second initiative was perhaps the most important. Illinois law requires all recyclers, rebuilders and used parts dealers to keep records of vehicles and parts they handle and the law authorizes the Secretary of State to prescribe rules for record keeping.

In August, 1978, Secretary Dixon issued a new rule, requiring records of the licenses to be kept in a police ledger book, a more thorough identification of people licensees do business with, and better records of vehicles and parts that are handled. For essential component parts, licensees will record the vehicle identification numbers of the vehicle the component was removed from.

In the Spring of 1979, Secretary Dixon sparked the creation of a Mid-Western Regional Task Force on Auto Theft composed of representatives from Illinois and surrounding states. This task force was created after a meeting in Springfield with members of the National Liaison Committee on Auto Theft Prevention. One of its prime goals is to reduce the activity of "chop shops" and the movement of parts from stolen vehicles.

A number of auto theft bills were introduced in the Illinois Legislature in 1979. House Bill 1922 would enable the Secretary of State to license body shops. The bill would also increase the penalties for sale and use of fraudulently obtained, altered or forged titles. Moreover, the bill provides that any person seeking a license from the Secretary of State will be investigated with the authorization of the applicant.

Illinois Senate Bill 117 would require that motor vehicles sold in Illinois must have had their vehicle identification number affixed in certain major component parts. The bill also increases the penalties for altering or removing a VIN number. Illinois Senate Bill 129 would grant to the Secretary of State, his premises of dealers, transporters, wreckers, rebuilders and scrap processors for ascertaining compliance with state law. It also provides for the licensing of vehicle auctioneers.

Witness for Public Hearings:

Mr. Craig Lovitt
Assistant to the Secretary of State
The Capitol
Springfield, Illinois 62756
(217) 782-4030

C. FEDERAL GOVERNMENT INVOLVEMENT IN AUTO THEFT PREVENTION

Auto theft prevention has been a concern of the federal government since 1919, when the Congress passed the Dyer Act. In short, this Act empowers the Department of Justice to prosecute accused car thieves who transport stolen vehicles across state lines. This law, while allowing the federal government to play a role in auto theft prevention, is not designed to relieve the states of the primary responsibility in this area where it has remained over the years. But, because auto theft prevention has become such a serious national problem, federal government involvement as well as increasing state and local efforts are required to reduce the burdens of the resulting consequences on the American consumers.

In the recent past, the Department of Justice has been very much involved in auto theft prevention. The following are summaries of important developments by the federal government on its efforts to curtail auto theft and an outline of the nature of federal government officials participation in the Governor's Task Force on Automobile Theft.

Department of Justice's Prosecution Policy Change Under the Dyer Act

In March, 1970, the Department of Justice announced a major change in its prosecution policy under the Dyer Act. The Department indicated that it would focus more of its efforts on organized crime and other major federal offenses and then would be devoted to prosecuting car thieves. It would, however, continue to prosecute primarily those persons involved in organized crime and interstate auto theft rings, but provide for referral of other accused car thieves to state and local jurisdictions for prosecution. This move by Justice was interpreted by some as an attempt to de-emphasize the seriousness of auto theft, a view with which the Department officials vigorously disagree.

In October 1978, however, the National Workshop on Auto Theft Prevention encouraged the Department of Justice to improve the effectiveness of its guidelines in consultation with other law enforcement officials.

Subsequently, in July, 1979, after consultation with the nation's law enforcement community, certain modifications to the guidelines were proposed by Justice's Criminal Division staff to clarify the goals and procedures relating to the policy. The proposed modifications would not change the basic thrust of the existing policy in that individual motor vehicle theft cases which do not involve exceptional circumstances should not be prosecuted in federal courts. If approved by the Attorney General, the modification would: (1) place greater emphasis on ring prosecutions; (2) require notification to local authorities of matters declined for federal prosecution; (3) require federal prosecutors to take a "second look" at matters involving exceptional circumstances previously declined by them if the local authorities do not undertake prosecutions; (4) drop the current prohibition against federal prosecution of an adult (21 or over) who has no previous felony conviction; (5) redefine "recidivist" to require only a prior conviction instead of a previous actual institutional incarceration; (6) state that the prosecutive restrictions of the policy do not apply to individuals involved in ring cases; (7) define a ring case; (8) permit venue for ring

cases in any district in which the ring operated; and (9) highlight the availability of 18 U.S.C. Section 5001 to assist local authorities in theft jurisdiction.

Witness for the Public Hearings:

Paul Troy, Esquire
Assistant United States Attorney
United States Attorney's Office
1107 McCormack Post Office and Courthouse
Boston, Massachusetts 02107

Proposed Federal "Motor Vehicle Theft Prevention Act of 1979,"
Introduced in the Senate by Senators Joseph Biden (Delaware) and
Charles Percy (Illinois), S.1214, and in the House of Representatives
by Representative William Green (New York) and 44 other members, H.R. 4178

The drafting of this legislation represents the most significant effort by Congress to address the problems of auto theft prevention since the passage of the Dyer Act in 1919. If enacted into law, a wide range of new powers will be given to NHTSA, U.S. Customs and the Justice Department to enable them to effectively deter auto theft.

The legislation also encourages cooperation between all levels of government for stiff penalties for those convicted of vehicle theft which is now a multi-million dollar racket.

Rationale for Act

Almost one million motor vehicles are annually reported stolen. The recovery rate of these vehicles has significantly decreased over the past decade. But, of all larcenies reported to law enforcement agencies in the United States, about 50 percent involve the motor vehicle, its accessories, or its contents.

Moreover, motor vehicle theft has increasingly become more professional in nature and seriously affects interstate and foreign commerce. As a result, increased and unnecessary burdens have brought to the automobile consumer and the taxpayer as the national financial cost of motor vehicle related theft offenses, according to various sources, runs between \$2 billion and \$4 billion annually.

While several federal executive agencies, including Transportation, State, Commerce, the Treasury and Justice, have together attempted to reduce the burden of automobile theft on the consumer, without strong federal legislation, they may not be able to continue to expand their efforts, and thereby further reduce consumer costs. The thrust of the Motor Vehicle Theft Prevention Act of 1979 then, is to provide an effective means of continuing and expanding cooperation not only between federal agencies but between federal and state agencies as well. Additionally, this bill represents a continuing effort by concerned members of Congress to deal with this serious problem on a nationwide basis. It is thus almost identical to S.3531, the "Motor Vehicle Theft Prevention Act of 1978" which was introduced by Senators Biden, Percy and Thurmond in 1978.

Purposes of Act (Sec. 102)

The purposes of the Act are to:

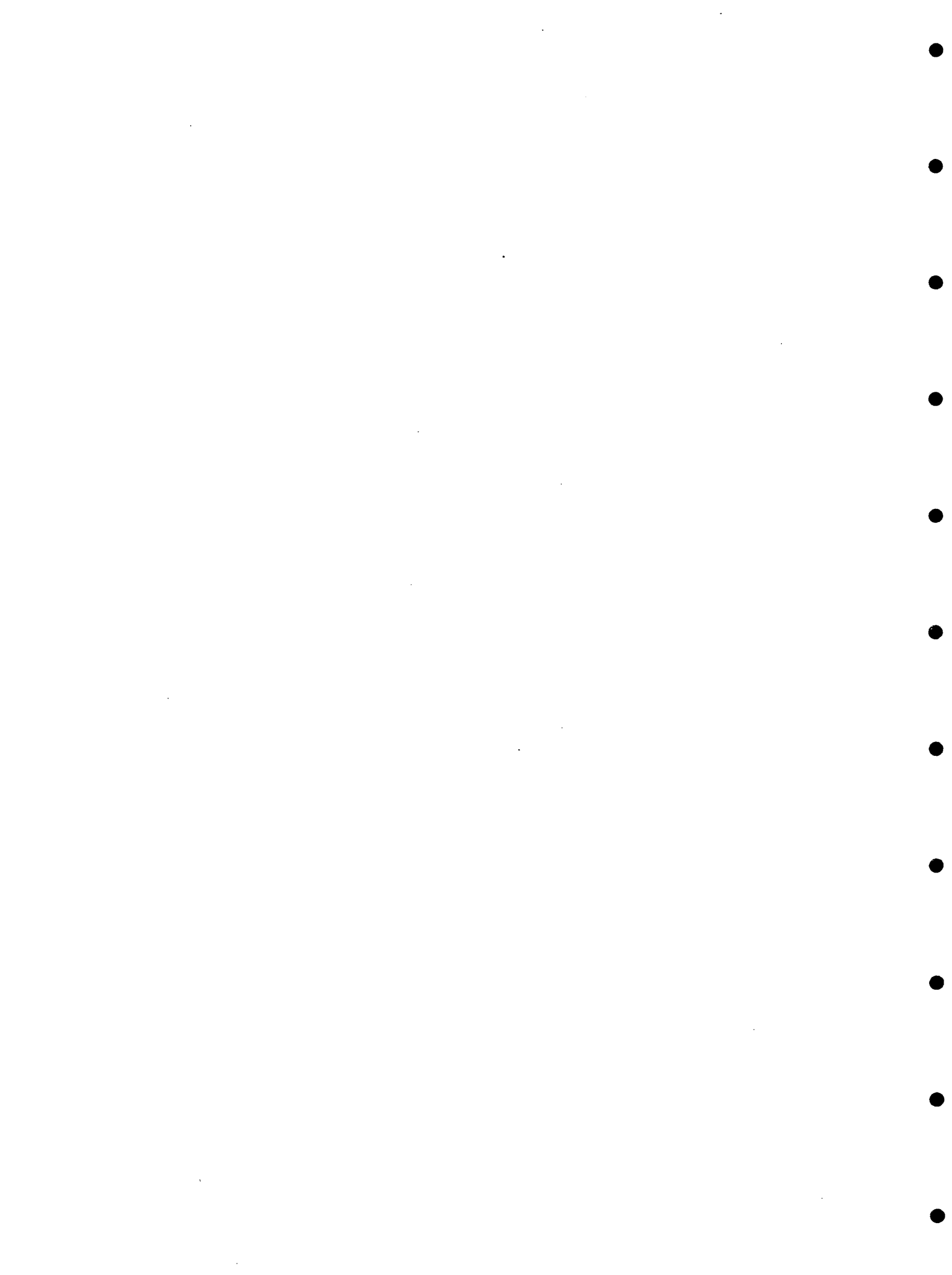
- o improve the standards for security devices for motor vehicles;
- o improve the identification numbering systems for motor vehicles and their major components;
- o increase the federal criminal penalties for those persons trafficking in stolen motor vehicles and their parts; and
- o establish procedures to reduce opportunities for the criminal to export stolen motor vehicles.

The bill is presently in Committee. Congressional hearings were conducted in early December, 1978.

Witnesses for the Public Hearings:

Mr. Howard Marks
United States Senate
- Governmental Affairs Committee
Permanent Subcommittee on Investigations
Washington, D.C. 20510
(202) 224-1114

Mr. Stephen Weglian
General Litigation and
Legal Advice Section
United States Department of Justice
Federal Triangle Building
315 North Street, N.W.
Washington, D.C. 20530
(202) 724-6961



APPENDIX

Advisors

ADVISORS

REGISTRY OF MOTOR VEHICLES

- Robert C. Capasso	Registry of Motor Vehicles
- Carl J. Catalano	Registry of Motor Vehicles
- Richard Coburn	Registry of Motor Vehicles
- Richard Daley	Registry of Motor Vehicles
- Edward Pettoruto	Registry of Motor Vehicles
- Joseph Sneider	Registry of Motor Vehicles

INDUSTRY ADVISORY COMMITTEE

John Mooney, New England Division Claims Manager
Kemper Insurance Companies
150 Newport Avenue
North Quincy, MA 02171

Richard Bennett, Director of Claims Security
Liberty Mutual
175 Berkeley Street
Boston, MA 02117

James Burns, Manager of Auto Claims
Travelers
125 High Street
Boston, MA 02110

Gene Fagan, Divisional Claims Manager
Allstate
70 Batterson Park Road
Framington, CT 06032

Vincent B. Kivlen, Administrative Assistant to
Vice President of Claims
Aetna C & S
151 Farmington Avenue
Hartford, CT 06156

Harold H. Williams, Agent
Harold H. Williams Insurance
P.O. Box 606
Hyannis, MA 02061

Daniel W. Halladay, Claims Manager
Safety Insurance Company
89 Broad Street
Boston, MA 02110

Richard H. Brown, Territorial Claim and Loss Manager
Royal - Globe
25 Chardin Street
Boston, MA 02114

Eugene McMorrow
Regional Claims Manager
Commercial Union Assurance Company

William Bailey
Senior Vice President
Commercial Union Assurance Company

Richard J. Underwood
Vice President
Commercial Union Assurance Company

J. Kenneth Griffin
Claims Counsel
Commercial Union Assurance Company

George Moses
Commercial Union Assurance Company

Agents Advisory Group

Independent Insurance Agents of Massachusetts

Jack Havlin
Corcoran and Havlin Insurance Agency
40 Grove Street
Wellesley, MA

Jack Kilcoyne
H & K Insurance Agency, Inc.
100 Galen Street
Watertown, MA

Professional Insurance Agents Associations

James E. Miles
Miles Insurance Agency
P.O. Box 1018
Taunton, MA 02780

Louis Xifaras
Xifaras & Kestenbaum, Inc.
Box J-4103
New Bedford, MA 02741

OTHER INDUSTRY ADVISORS

Mr. Robert L. Barber
Liberty Mutual Insurance Company
175 Berkeley Street
Boston, MA

Mr. Rudy H. Brushwood
Director - Auto Claims
The Hartford
Hartford Plaza
Hartford, CT 06115

Mr. Glenn S. Gately
Assistant Director - Property Claims
Claims Department
The Travelers Insurance Companies
One Tower Square
Hartford, CT 06115

Mr. Samuel Goldstein
c/o Goldies, Inc.
859 Willard Street
Quincy, MA

Mr. Donald C. Hillman
Peter Merrill Associates
148 State Street
Boston, MA

Mr. Richard F. Ingegneri
Claims Counsel
American Insurance Association
85 John Street
New York, NY 10038

Ms. Ellen Beth Lande
Peter Merrill Associates, Inc.
8th floor
148 State Street
Boston, MA 02109

Mr. Geoffrey S. Mullis
Director
Communications Coordinator
Commercial Union Assurance Companies
One Beacon Street
Boston, MA 02108

Mr. Paul O'Friel
Vice President, New England Region
American Insurance Association
One State Street
Boston, MA 02109

Mr. Thomas S. Owens
Assistant Director
Casualty - Property Claim
Product Management
The Travelers Insurance Companies
One Tower Square
Hartford, CT 06115

DISTRICT ATTORNEY - ADVISORS

The Honorable John J. Conte
District Attorney for the Middle District
Worcester County Courthouse
Worcester, MA 01608

Mr. Thomas Cunningham
Assistant District Attorney
Suffolk County District Court Prosecutors Program
Old Courthouse - Pemberton Square
Boston, MA

Mr. Michael Joyce
Chief, District Court Prosecutors Program
Suffolk County Courthouse - Pemberton Square
Boston, MA 02108

Mr. John A. Kiernan
Assistant District Attorney
New Courthouse - Pemberton Square
Boston, MA 02108

Mr. Gerald M. Kirby
Assistant District Attorney
618 High Street
Dedham, MA 02026

Mr. Kevin Riordan
Assistant District Attorney
District Attorney for the Middle District
Worcester, MA

LAW ENFORCEMENT - ADVISORS

Mr. Thomas Enos
Brockton Police Department
7 Commercial Street
Brockton, MA

Mr. Jon R. Ewart, Esquire
Marshfield Police Department
30 Elm Street
Marshfield, MA

Detective William T. Foley
Lynn Police Department
18 Sutton Street
Lynn, MA

Mr. Bruce Gordon
Massachusetts State Police
c/o Bristol County District Attorney's Office
Superior Court House
441 County Street
New Bedford, MA 02740

Trooper Herbert B. Hall
Massachusetts State Police
Headquarters, Troop "F"
Logan International Airport
East Boston, MA 02128

Mr. William Hogan
Boston Police Academy
Boston Police Department
Boston, MA

Detective Eddie Johns
Boston Police Department
154 Berkeley Street
Boston, MA

Lieutenant Peter McGowan
Lynn Police Department
18 Sutton Street
Lynn, MA 01901

Trooper Pat Hunt
Massachusetts State Police
Bristol County District Attorney's Office
New Bedford, MA 02740

Officer Robert F. Rich
Worcester Police Department
Director, International Association of
Auto Theft Investigators
Worcester, MA 01608

Special Agent Arthur Ryall
Federal Bureau of Investigation
Worcester, MA 01601

NATIONAL ASSOCIATION OF ATTORNEYS GENERAL

Mr. Jeff Trepel
National Association of Attorneys General
3901 Barrett Drive
Raleigh, NC 27609

UNITED STATES SENATE STAFF

Mr. Howard Marks
Governmental Affairs Committee
Subcommittee on Investigations
United States Senate
Washington, D.C. 20510

NATIONAL AUTO THEFT BUREAU

Mr. Daniel Engman
National Auto Theft Bureau
150 Newport Avenue
Quincy, MA

OTHER ADVISORS

Ms. Joanna Connolly

Mr. James Hamrock

Mr. Thomas McCabe, Jr.

Mr. Nicholas Shaheen

Mr. Elliot Sherman, Esq.

