

REFERENCE TITLE: automobile theft authority; appropriation

State of Arizona
Senate
Fifty-fourth Legislature
First Regular Session
2019

SB 1012

Introduced by
Senator Livingston

AN ACT

AMENDING SECTION 41-3451, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2017, CHAPTER 303, SECTION 14; AMENDING SECTION 41-3451, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2018, CHAPTER 298, SECTION 8; APPROPRIATING MONIES; RELATING TO THE AUTOMOBILE THEFT AUTHORITY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 41-3451, Arizona Revised Statutes, as amended by
3 Laws 2017, chapter 303, section 14, is amended to read:

4 41-3451. Automobile theft authority; powers and duties; fund;
5 audit

6 A. An automobile theft authority is established consisting of the
7 following members:

8 1. Two police chiefs who are appointed by the Arizona association
9 of chiefs of police, one of whom represents a city or town with a
10 population of one hundred thousand or more persons and one of whom
11 represents a city or town with a population of less than one hundred
12 thousand persons, or their designees.

13 2. Two sheriffs who are appointed by the Arizona sheriffs
14 association, one of whom represents a county with a population of five
15 hundred thousand or more persons and one of whom represents a county with
16 a population of less than five hundred thousand persons, or their
17 designees.

18 3. Two county attorneys who are appointed by the governor, one of
19 whom represents a county with a population of two million or more persons
20 and one of whom represents a county with a population of less than two
21 million persons, or their designees.

22 4. Two employees of insurers who are licensed to write motor
23 vehicle liability insurance in this state and who are appointed by the
24 governor.

25 5. Two members of the general public who are appointed by the
26 governor.

27 6. The assistant director for the motor vehicle division in the
28 department of transportation or the assistant director's designee.

29 7. The director of the department of public safety or the
30 director's designee.

31 B. Members serve staggered four-year terms beginning and ending on
32 the third Monday in January. At the first meeting each year, the members
33 shall select a chairman from among the members. The authority shall meet
34 at the call of the chairman or seven members.

35 C. The authority may:

36 1. Subject to chapter 4, article 4 of this title, hire staff
37 members as necessary, including an executive director. The executive
38 director's annual compensation shall not be more than ~~one hundred thousand~~
39 ~~dollars~~ \$100,000.

40 2. Provide work facilities and equipment as necessary.

41 3. Determine the scope of the problem of motor vehicle theft,
42 including particular areas of the state where the problem is greatest.

43 4. Analyze the various methods of combating the problem of motor
44 vehicle theft.

45 5. Develop and implement a plan of operation.

46 6. Develop and implement a financial plan.

1 7. Solicit and accept gifts and grants.

2 8. Report by December 31 of each year to the governor, the
3 president of the senate, the speaker of the house of representatives and
4 the secretary of state on its activities during the preceding fiscal year.

5 D. If the chairman of the authority knows that a potential ground
6 for the removal of a member of the authority exists under this subsection,
7 the chairman shall notify the governor. The governor shall remove the
8 member if the governor finds that any of the following applies:

9 1. The member was not qualified to serve at the time the member was
10 appointed.

11 2. The member does not maintain the member's qualifications to
12 serve.

13 3. The member cannot discharge the member's duties for a
14 substantial part of the term due to illness or other disability.

15 4. The member is absent from more than one-half of the regularly
16 scheduled meetings during a calendar year unless the member's absence is
17 excused by a majority vote of the authority.

18 E. The automobile theft authority fund is established consisting of
19 any public or private monies that the authority may receive. The
20 automobile theft authority shall administer the fund. ~~Subject to~~
21 ~~legislative appropriation~~, Monies in the fund shall ~~only~~ be used **ONLY** to
22 pay the expenses of the authority and to carry out the purposes of this
23 section. **MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION.**
24 **ALL MONIES DEPOSITED IN THE FUND THAT EXCEED THE LEGISLATIVE APPROPRIATION**
25 **MADE FOR THAT FISCAL YEAR ARE APPROPRIATED TO THE AUTHORITY, AND THE**
26 **AUTHORITY MUST SUBMIT A REPORT FOR REVIEW BY THE JOINT LEGISLATIVE BUDGET**
27 **COMMITTEE ON THE INTENDED USES OF THE EXCESS MONIES BEFORE THE AUTHORITY**
28 **SPENDS ANY OF THE EXCESS MONIES.** Monies in the fund are exempt from the
29 provisions of sections 35-143.01 and 35-190 relating to lapsing of
30 appropriations. On notice from the authority, the state treasurer shall
31 invest and divest monies in the fund as provided by section 35-313, and
32 monies earned from investment shall be credited to the fund.

33 F. The authority may accept nonmonetary contributions, including
34 the services of individuals, office and secretarial assistance, mailings,
35 printing, office equipment, facilities and supplies, that are necessary to
36 carry out its functions. The nonmonetary contributions shall not be
37 included in the costs of administration limitation prescribed by
38 subsection H of this section.

39 G. The automobile theft authority shall allocate monies in the fund
40 to public agencies for the purpose of establishing, maintaining and
41 supporting programs that are designed to prevent motor vehicle theft,
42 including:

43 1. Financial support to law enforcement and prosecution agencies
44 for programs that are designed to increase the effectiveness of motor
45 vehicle theft prosecution.

1 2. Financial support for programs that are designed to educate and
2 assist the public in the prevention of motor vehicle theft.

3 H. The costs of administration shall not exceed ten percent of the
4 monies in the fund in any one year so that the greatest possible portion
5 of the monies available to the authority is expended on combating motor
6 vehicle theft.

7 I. Monies expended from the automobile theft authority fund shall
8 be used to supplement, not supplant, other monies that are available for
9 motor vehicle theft prevention.

10 J. Each insurer issuing motor vehicle liability insurance policies
11 in this state shall pay a semiannual fee of fifty cents per vehicle
12 insured under a motor vehicle liability insurance policy issued by the
13 insurer. The fee shall be fully earned and nonrefundable at the time the
14 insurer collects the premium for the motor vehicle liability insurance
15 policy. Each insurer shall transmit the fee on or before January 31 and
16 on or before July 31 of each year to the automobile theft authority for
17 deposit in the automobile theft authority fund. The payment due on or
18 before January 31 shall cover vehicles insured under policies that are
19 issued during the period from July 1 through December 31 of the previous
20 year. The payment due on or before July 31 shall cover vehicles insured
21 under policies that are issued during the period from January 1 through
22 June 30 of the same year.

23 K. The authority shall cause an audit to be made of the automobile
24 theft authority fund. The audit shall be conducted by a certified public
25 accountant every two years. The authority shall file a certified copy of
26 the audit with the auditor general immediately. The auditor general may
27 make further audits and examinations as the auditor general deems
28 necessary and may take appropriate action relating to the audit pursuant
29 to chapter 7, article 10.1 of this title.

30 L. Authority members are not eligible to receive compensation but
31 are eligible for reimbursement of expenses pursuant to title 38, chapter
32 4, article 2.

33 M. This section does not apply to vehicles or vehicle combinations
34 with a declared gross weight of more than twenty-six thousand pounds.
35 Motor vehicle liability insurance policies issued in this state for
36 vehicles or vehicle combinations with a declared gross weight of more than
37 twenty-six thousand pounds are exempt from subsection J of this section.

38 Sec. 2. Section 41-3451, Arizona Revised Statutes, as amended by
39 Laws 2018, chapter 298, section 8, is amended to read:

40 41-3451. Automobile theft authority; powers and duties; fund;
41 audit

42 A. The automobile theft authority is established consisting of the
43 following members:

44 1. Two police chiefs who are appointed by the Arizona association
45 of chiefs of police, one of whom represents a city or town with a
46 population of one hundred thousand or more persons and one of whom

1 represents a city or town with a population of less than one hundred
2 thousand persons, or their designees.

3 2. Two sheriffs who are appointed by the Arizona sheriffs
4 association, one of whom represents a county with a population of five
5 hundred thousand or more persons and one of whom represents a county with
6 a population of less than five hundred thousand persons, or their
7 designees.

8 3. Two county attorneys who are appointed by the governor, one of
9 whom represents a county with a population of two million or more persons
10 and one of whom represents a county with a population of less than two
11 million persons, or their designees.

12 4. Two employees of insurers who are licensed to write motor
13 vehicle liability insurance in this state and who are appointed by the
14 governor.

15 5. Two members of the general public who are appointed by the
16 governor.

17 6. The assistant director for the motor vehicle division in the
18 department of transportation or the assistant director's designee.

19 7. The director of the department of public safety or the
20 director's designee.

21 B. Members serve staggered four-year terms beginning and ending on
22 the third Monday in January. At the first meeting each year, the members
23 shall select a chairman from among the members. The authority shall meet
24 at the call of the chairman or seven members.

25 C. The authority may:

26 1. Subject to chapter 4, article 4 of this title, hire staff
27 members as necessary, including an executive director. The executive
28 director's annual compensation shall not be more than ~~one hundred thousand~~
29 ~~dollars~~ \$100,000.

30 2. Provide work facilities and equipment as necessary.

31 3. Determine the scope of the problem of motor vehicle theft,
32 including particular areas of the state where the problem is greatest.

33 4. Analyze the various methods of combating the problem of motor
34 vehicle theft.

35 5. Develop and implement a plan of operation.

36 6. Develop and implement a financial plan.

37 7. Solicit and accept gifts and grants.

38 8. Report by December 31 of each year to the governor, the
39 president of the senate, the speaker of the house of representatives and
40 the secretary of state on its activities during the preceding fiscal year.

41 D. If the chairman of the authority knows that a potential ground
42 for the removal of a member of the authority exists under this subsection,
43 the chairman shall notify the governor. The governor shall remove the
44 member if the governor finds that any of the following applies:

45 1. The member was not qualified to serve at the time the member was
46 appointed.

1 2. The member does not maintain the member's qualifications to
2 serve.

3 3. The member cannot discharge the member's duties for a
4 substantial part of the term due to illness or other disability.

5 4. The member is absent from more than one-half of the regularly
6 scheduled meetings during a calendar year unless the member's absence is
7 excused by a majority vote of the authority.

8 E. The automobile theft authority fund is established consisting of
9 monies deposited pursuant to section 28-2098 and any public or private
10 monies that the authority may receive. The automobile theft authority
11 shall administer the fund. ~~Subject to legislative appropriation,~~ Monies
12 in the fund shall ~~only~~ be used **ONLY** to pay the expenses of the authority
13 and to carry out the purposes of this section. **MONIES IN THE FUND ARE**
14 **SUBJECT TO LEGISLATIVE APPROPRIATION. ALL MONIES DEPOSITED IN THE FUND**
15 **THAT EXCEED THE LEGISLATIVE APPROPRIATION MADE FOR THAT FISCAL YEAR ARE**
16 **APPROPRIATED TO THE AUTHORITY, AND THE AUTHORITY MUST SUBMIT A REPORT FOR**
17 **REVIEW BY THE JOINT LEGISLATIVE BUDGET COMMITTEE ON THE INTENDED USES OF**
18 **THE EXCESS MONIES BEFORE THE AUTHORITY SPENDS ANY OF THE EXCESS MONIES.**
19 Monies in the fund are exempt from the provisions of sections 35-143.01
20 and 35-190 relating to lapsing of appropriations. On notice from the
21 authority, the state treasurer shall invest and divest monies in the fund
22 as provided by section 35-313, and monies earned from investment shall be
23 credited to the fund.

24 F. The authority may accept nonmonetary contributions, including
25 the services of individuals, office and secretarial assistance, mailings,
26 printing, office equipment, facilities and supplies, that are necessary to
27 carry out its functions. The nonmonetary contributions shall not be
28 included in the costs of administration limitation prescribed by
29 subsection H of this section.

30 G. The automobile theft authority shall allocate monies in the fund
31 to public agencies for the purpose of establishing, maintaining and
32 supporting programs that are designed to prevent motor vehicle theft,
33 including:

34 1. Financial support to law enforcement and prosecution agencies
35 for programs that are designed to increase the effectiveness of motor
36 vehicle theft prosecution.

37 2. Financial support for programs that are designed to educate and
38 assist the public in the prevention of motor vehicle theft.

39 H. The costs of administration shall not exceed ten percent of the
40 monies in the fund in any one year so that the greatest possible portion
41 of the monies available to the authority is expended on combating motor
42 vehicle theft.

43 I. Monies expended from the automobile theft authority fund shall
44 be used to supplement, not supplant, other monies that are available for
45 motor vehicle theft prevention.

1 J. Each insurer issuing motor vehicle liability insurance policies
2 in this state shall pay a semiannual fee of fifty cents per vehicle
3 insured under a motor vehicle liability insurance policy issued by the
4 insurer. The fee shall be fully earned and nonrefundable at the time the
5 insurer collects the premium for the motor vehicle liability insurance
6 policy. Each insurer shall transmit the fee on or before January 31 and
7 on or before July 31 of each year to the automobile theft authority for
8 deposit in the automobile theft authority fund. The payment due on or
9 before January 31 shall cover vehicles insured under policies that are
10 issued during the period from July 1 through December 31 of the previous
11 year. The payment due on or before July 31 shall cover vehicles insured
12 under policies that are issued during the period from January 1 through
13 June 30 of the same year.

14 K. The authority shall cause an audit to be made of the automobile
15 theft authority fund. The audit shall be conducted by a certified public
16 accountant every two years. The authority shall file a certified copy of
17 the audit with the auditor general immediately. The auditor general may
18 make further audits and examinations as the auditor general deems
19 necessary and may take appropriate action relating to the audit pursuant
20 to chapter 7, article 10.1 of this title.

21 L. Authority members are not eligible to receive compensation but
22 are eligible for reimbursement of expenses pursuant to title 38, chapter
23 4, article 2.

24 M. This section does not apply to vehicles or vehicle combinations
25 with a declared gross weight of more than twenty-six thousand pounds.
26 Motor vehicle liability insurance policies issued in this state for
27 vehicles or vehicle combinations with a declared gross weight of more than
28 twenty-six thousand pounds are exempt from subsection J of this section.

29 Sec. 3. Appropriation; automobile theft authority; report

30 A. Notwithstanding section 41-3451, subsection E, Arizona Revised
31 Statutes, as amended by this act, all monies deposited in the automobile
32 theft authority fund in fiscal year 2018-2019 in excess of the
33 appropriation made by Laws 2018, chapter 276, section 13 are appropriated
34 from the automobile theft authority fund in fiscal year 2019-2020 to the
35 automobile theft authority.

36 B. The automobile theft authority shall submit a report for review
37 by the joint legislative budget committee on the intended uses of the
38 monies before spending the monies.

39 Sec. 4. Conditional enactment

40 Section 41-3451, Arizona Revised Statutes, as amended by Laws 2018,
41 chapter 298, section 8 and this act, becomes effective on the date
42 prescribed by Laws 2018, chapter 298, section 12 but only on the
43 occurrence of the condition prescribed by Laws 2018, chapter 298,
44 section 12.