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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 2845

01/31/2022 Authored by Edelson, Novotny, Moller, Huot, Morrison and others
The bill was read for the first time and referred to the Committee on Commerce Finance and Policy

1.1 A bill for an act
1.2 relating to commerce; authorizing the Commerce Fraud Bureau to investigate
1.3 crimes relating to automobile theft and financial fraud; amending Minnesota
1.4 Statutes 2020, sections 45.0135, subdivisions 2a, 2b; 65B.84, subdivision 1.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2020, section 45.0135, subdivision 2a, is amended to read:

1.7 Subd. 2a. Authorization. The commissioner may appoint peace officers, as defined in
1.8 section 626.84, subdivision 1, paragraph (c), and establish a law enforcement agency, as
1.9 defined in section 626.84, subdivision 1, paragraph (f), known as the Commerce Fraud
1.10 Bureau, to conduct investigations, and to make arrests under sections 629.30 and 629.34.
1.11 The jurisdiction of the law enforcement agency is limited to offenses related to insurance
1.12 fraud, financial fraud, and automobile theft, as defined in section 65B.84, subdivision 5.

1.13 Sec. 2. Minnesota Statutes 2020, section 45.0135, subdivision 2b, is amended to read:

1.14 Subd. 2b. Duties. The Commerce Fraud Bureau shall:

1.15 (1) review notices and reports of insurance fraud submitted by authorized insurers, their
1.16 employees, and agents or producers;

1.17 (2) respond to notifications or complaints of suspected insurance fraud, financial fraud,
1.18 or automobile theft generated by other law enforcement agencies, state or federal
1.19 governmental units, or any other person;

1.20 (3) initiate inquiries and conduct investigations when the bureau has reason to believe
1.21 that insurance fraud has, financial fraud, or automobile theft offenses have been or is are
1.22 being committed; and

2.1 (4) report incidents of ~~alleged insurance fraud~~ offenses disclosed by its investigations  
2.2 to appropriate law enforcement agencies, including, but not limited to, the attorney general,  
2.3 county attorneys, or any other appropriate law enforcement or regulatory agency, and shall  
2.4 assemble evidence, prepare charges, and otherwise assist any law enforcement authority  
2.5 having jurisdiction.

2.6 Sec. 3. Minnesota Statutes 2020, section 65B.84, subdivision 1, is amended to read:

2.7 Subdivision 1. **Program described; commissioner's duties; appropriation.** (a) The  
2.8 commissioner of commerce shall:

2.9 (1) develop and sponsor the implementation of statewide plans, programs, and strategies  
2.10 to combat automobile theft, improve the administration of the automobile theft laws, and  
2.11 provide a forum for identification of critical problems for those persons dealing with  
2.12 automobile theft;

2.13 (2) coordinate the development, adoption, and implementation of plans, programs, and  
2.14 strategies relating to interagency and intergovernmental cooperation with respect to  
2.15 automobile theft enforcement;

2.16 (3) annually audit the plans and programs that have been funded in whole or in part to  
2.17 evaluate the effectiveness of the plans and programs and withdraw funding should the  
2.18 commissioner determine that a plan or program is ineffective or is no longer in need of  
2.19 further financial support from the fund;

2.20 (4) develop a plan of operation including:

2.21 (i) an assessment of the scope of the problem of automobile theft, including areas of the  
2.22 state where the problem is greatest;

2.23 (ii) an analysis of various methods of combating the problem of automobile theft;

2.24 (iii) a plan for providing financial support to combat automobile theft;

2.25 (iv) a plan for eliminating car hijacking; and

2.26 (v) an estimate of the funds required to implement the plan; and

2.27 (5) distribute money, in consultation with the commissioner of public safety, pursuant  
2.28 to subdivision 3 from the automobile theft prevention special revenue account for automobile  
2.29 theft prevention activities, including:

2.30 (i) paying the administrative costs of the program;

3.1 (ii) providing financial support to the Commerce Fraud Bureau, State Patrol, and local  
3.2 law enforcement agencies for automobile theft enforcement teams;

3.3 (iii) providing financial support to state or local law enforcement agencies for programs  
3.4 designed to reduce the incidence of automobile theft and for improved equipment and  
3.5 techniques for responding to automobile thefts;

3.6 (iv) providing financial support to local prosecutors for programs designed to reduce  
3.7 the incidence of automobile theft;

3.8 (v) providing financial support to judicial agencies for programs designed to reduce the  
3.9 incidence of automobile theft;

3.10 (vi) providing financial support for neighborhood or community organizations or business  
3.11 organizations for programs designed to reduce the incidence of automobile theft and to  
3.12 educate people about the common methods of automobile theft, the models of automobiles  
3.13 most likely to be stolen, and the times and places automobile theft is most likely to occur;  
3.14 and

3.15 (vii) providing financial support for automobile theft educational and training programs  
3.16 for state and local law enforcement officials, driver and vehicle services exam and inspections  
3.17 staff, and members of the judiciary.

3.18 (b) The commissioner may not spend in any fiscal year more than ~~ten~~ 25 percent of the  
3.19 money in the fund for the program's equipment, administrative and operating costs, and the  
3.20 Commerce Fraud Bureau's investigative efforts to combat automobile theft. The  
3.21 commissioner is annually appropriated and must distribute the amount of the proceeds  
3.22 credited to the automobile theft prevention special revenue account each year, less the  
3.23 transfer of \$1,300,000 each year to the insurance fraud prevention account described in  
3.24 section 297I.11, subdivision 2.

3.25 (c) At the end of each fiscal year, the commissioner may transfer any unobligated balances  
3.26 in the auto theft prevention account to the insurance fraud prevention account under section  
3.27 45.0135, subdivision 6.