

# Public Hearing

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## ASSEMBLY TASK FORCE ON AUTO THEFT

"Discussion of the increasing problem of automobile theft in this State, and possible remedies"

LOCATION: Council Chambers  
Bloomfield Town Hall  
Bloomfield, New Jersey

DATE: January 6, 1993  
7:00 p.m.

### MEMBERS OF TASK FORCE PRESENT:

Assemblyman Monroe Jay Lustbader, Co-Chairman  
Assemblyman Robert L. Brown  
Assemblywoman Marion Crecco  
Assemblyman Paul DiGaetano  
Assemblyman Harry A. McEnroe

### ALSO PRESENT:

Miriam Bavati  
Office of Legislative Services  
Aide, Assembly Task Force on Auto Theft



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New Jersey State Legislature  
ASSEMBLY TASK FORCE  
ON AUTO THEFT  
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REVISED

NOTICE OF PUBLIC HEARING

TO: MEMBERS OF THE ASSEMBLY TASK FORCE  
ON AUTO THEFT

FROM: ASSEMBLYMAN MONROE JAY LUSTBADER, CHAIRMAN

SUBJECT: PUBLIC HEARING - January 6, 1993

The Assembly Task Force on Auto Theft will hold a public hearing on Wednesday, January 6, 1993 at 7:00 P.M.\* in the Council Chambers, Bloomfield Town Hall, Bloomfield, New Jersey.

The topic of discussion is the increasing problem of automobile theft in this State, and possible remedies.

*The public may address comments and questions to Miriam Bavati, Judiciary Section, Office of Legislative Services, (609) 292-5526. Those persons presenting written testimony should provide 15 copies to the committee on the day of the hearing.*

Issued 12/10/92

\*Revised 12/16/92 (Time changed from 3:00 p.m. to 7:00 p.m.)



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**ASSEMBLYMAN MONROE JAY LUSTBADER (Co-Chairman):** Good evening, ladies and gentlemen. We are going to start this hearing. We had scheduled it for 7:00. I wanted to be fair to the people who are going to testify, although there are a few Committee members who may come in a little late, due to other schedules. I see Assemblyman DiGaetano walking in now.

I would like to introduce the people on the Task Force. I have, as I have introduced, Assemblyman DiGaetano; Assemblyman Robert Brown, from Orange; and our hostess tonight, Assemblywoman Marion Crecco. My name is Monroe Lustbader. I am the Co-Chair of the Task Force under Assembly Resolution No. 1. This is the third, and the last, of our investigative hearings, as a result of which we are going to report out to the Assembly, and to the Legislature in general, our findings and recommendations as to legislation and whatever action is indicated in the circumstances.

We welcome the testimony. We are gaining a lot of experience from the hearings. We are learning a lot. There is a great deal of expertise out there. I, for one, am very satisfied that these hearings have been productive.

As you know, New Jersey has one of the most serious car theft problems in the United States. Even more disturbing that the dizzying number of car thefts, is a trend that seems to indicate that our State has become a breeding ground for new, more dangerous types of car thieves. The case of Gail Shollar, who was abducted, raped, and killed by a carjacker on November 3, is only the most dramatic example. There have been others. In numerous urban centers, for example, joyriding in stolen cars has become a favorite pastime of teenagers. It has also become a deadly threat. Three teens in a stolen car died in a fiery crash recently, after leading police on a 95-mile-an-hour car chase. On the same night, a woman was killed when another teenager, fleeing police, ran his stolen car into hers.

This problem is right near home. In West Orange recently, two car theft suspects were charged with ramming a police car in an attempt to escape. Also, a 17-year-old boy was shot and critically injured by police in Belleville after he rammed their squad car. The list of incidents can go on and on. So threatened are average people by violence, that retailers are reporting dramatic increases in the sale of Mace and handguns.

Clearly, when average people cannot feel safe in their own cars, government must take aggressive action. Not only is car theft a dangerous crime, but it is an increasingly expensive one. In fact, experts set the total cost of car theft in New Jersey at roughly \$300 million. That cost, as you know, is ultimately paid by motorists and insurance companies. Last year, motor vehicle theft accounted for 17 percent of the total crime index, and 19 percent of the nonviolent crime. Ninety-one percent of all vehicles stolen in the State are cars, which means that it is a crime that hits the average person the hardest. Car theft accounts for 65 percent of the total value of property stolen in New Jersey.

How big is this problem? According to the State Police Uniform Crime Report, there were 72,626 cars stolen in New Jersey last year, nearly one-third of which were stolen in Essex County. In fact, Newark, East Orange, and Irvington rank among the top four New Jersey cities for car theft. The fact is, current laws are failing New Jerseyans. Penalties are not certain or swift enough; enforcement is not aggressive enough; and preventive measures have not been comprehensive enough. It is equally true that no change can be possible unless we work together to find solutions, which is why I am grateful to my colleagues for their leadership and cooperation, and to the people whose testimony has guided these proceedings.

I might just add one contemporary note: You are all probably aware that the Federal government has enacted a very,

very comprehensive carjacking statute, which imposes prison sentences of up to 25 years for anyone involved in carjacking which causes injury to a person. So I think we are on the right road. I think what we have to do now is have our New Jersey statutes become updated and contemporary for the risk that is involved.

With that, I would like to introduce Assemblywoman Marion Crecco, who is our hostess tonight. She has a statement.

Thank you.

ASSEMBLYWOMAN CRECCO: Thank you, Mr. Chairman. First of all, I would like to welcome all of you to Bloomfield -- this is my Township -- and to thank you for coming. Also, I would like to commend those of you who have agreed to testify at this hearing on what we, as members of the Task Force, have found to be an increasingly serious and lethal problem

Every motorist in New Jersey knows about the crime of automobile theft, in terms of property damage and insurance premiums. However, many people are still not aware of the frequency with which cars are stolen and used as weapons themselves, or as instruments in which to commit even more dangerous crimes. The fact that Newark, Irvington, Trenton, and East Orange are all in the top 10 cities in America for car theft-- I brought this graph, and you can see that out of the entire United States, we are the top three here in Essex County. We certainly do have a problem. As Assemblyman Lustbader said, this is the time now to define acts and to work accordingly. This must stop.

In the last few months, we have all become keenly aware of the evolution of a new and more dangerous form of theft, and that is carjacking. This crime, where minors lie in wait for a driver to stop, at which point they spring on the vehicle and force the driver, at knife point or gunpoint, to abandon his or her own car-- It is just unbelievable that it

has come to this; that we can't even go out in the streets; that we are not safe even in the daytime.

Newspapers have also reported a number of cases, some of which were in my district. Robbers used stolen cars to ram police cars in order to escape arrest. We have had quite a bit of that in our town, as our Chief will attest to. People are even being approached in the daylight at the shopping malls. These are clear signals that the car thieves are becoming bolder. I believe that our response must be just as bold.

I have introduced legislation that would crack down on penalties for juvenile carjackers and auto thieves. If these bills are signed into law, lengths of prison terms will be increased, penalties for offenses involving the unlawful taking of motor vehicles will be upgraded, and mandatory minimum terms for repeating juveniles convicted of auto theft will be imposed. Other bills would create a new criminal offense of employment of juveniles for the commission of car theft and would provide for a mandatory waiver to adult court of certain juvenile cases involving stolen cars, at which point prior to this -- before this bill is passed-- We have juveniles being picked up, coming back out; never being held because they are juveniles. In one instance, I understand we had juveniles who committed crimes about 48 times -- car thefts -- three juveniles, so this is quite bad. This would stop that.

Additionally, legislation was introduced that would hold parents and guardians responsible for car thefts by minors under their supervision. I think this is an extremely good piece of legislation, because very often these youngsters are out in the middle of the night committing these crimes. One question I have been asking is: Where are the parents of these children in the middle of the night while their children are out? It is their job to keep tabs on them; to be able to answer the question: Do you know where your children are?

I also have legislation drafted to impose penalties and a fine or community service on parents of these minors. It is their responsibility, as parents, to be held accountable for the actions of their children. Teenagers make attractive recruits for the chop-shops and auto thefts, because it is a multimillion dollar industry.

I am going to cut this short. Make no mistake about it, though, teen car thieves are more aggressive today, more dangerous than ever before. They also have less respect for the law, for people's property, and for the lives of innocent citizens. If we are going to stop this wave of evermore violent car thefts, we must resort to more serious penalties for the offenders, both juveniles and adults.

Thank you.

ASSEMBLYMAN LUSTBADER: Thank you, Assemblywoman Crecco. Assemblyman Brown?

ASSEMBLYMAN BROWN: Thank you, Mr. Chairman.

Mr. Chairman, I would like, first of all, to thank Assemblywoman Crecco for hosting this hearing here in the City of Bloomfield, and yourself for calling it, because I am certainly proud to have been appointed to this bipartisan Committee addressing this issue that really has no partisanship flavor, but rather is an issue that is affecting all the citizens in the State of New Jersey, without any discrimination with respect to party.

I think one of the things we have all come to agree on in this Committee, is that the present set of laws which address car theft and carjacking in our juvenile justice system are just inadequate. A big problem is that a great many of these offenders seem to go into custody at 1:00, and are back on the street at 2:00, stealing another car at 3:00. Certainly we have to put an end to that revolving door of justice as it pertains to our juvenile justice system.

We have heard a number of measures which attempted to solve the problem, but frankly speaking, they do not hit the mark, which necessitates this Committee looking at all the bills that have been introduced -- passed and introduced in our House and passed in the Senate -- to craft a proper set of legislation which will address the objective. For instance, there is a lot of talk, Mr. Chairman, about the boot camps. I believe it was a well-intended, well-thought-out piece of legislation. But the fact of the matter is, boot camps only deal with offenders between the ages of about 18 and 21, I believe, and our statistics show that most of the car theft problems, and carjacking problems, that confront the State, are being committed by people who are less than 18 years of age. So, though well-intended, and perhaps well-thought-out, it didn't really address the age category. We are going to have to do something about that in this particular Committee.

I would also like to point out, Mr. Chairman, that I believe the criminals and those who are wreaking havoc on our people need to be dealt with severely and swiftly, as Assemblywoman Crecco outlined. I also believe that we have a responsibility to try to reach out to those youthful people who are not in the criminal justice system at this time, who are on the cutting edge of going either against the law or consistent with the law. I think we have an obligation to try to reach out to those young people and provide some direction, so they do not become objects of the kind of legislation that we will pass here; so that they can be productive and add something to society.

I think, Mr. Chairman-- I know I have introduced some legislation with respect to a kind of State job corps program, where we can hire our young people in the summertime and get them off the street corners, and out of reach of the drug dealers who want to provide some form of activity for them, which is not going to help us. We can't lock up everybody. We

need to lock up the bad people and those people who are causing havoc, but there are a great many young people out there who can still be worked with, who have not made a decision about which way they are going to go. I think we do ourselves a disservice by not addressing them, as well as the hardened criminals who are young.

I would hope that our first step is going to be to protect and preserve the public from this rash of criminality that is going on. I would hope that on the heels of that we would also address programs geared towards helping children, to steer them in the right direction and to provide some kind of training for them so they can seek proper jobs and become useful parts of society.

I know this Committee shares those concerns, and I look forward to us addressing the problem from the full perspective, as well as the crime and punishment perspective.

Thank you, Mr. Chairman.

ASSEMBLYMAN LUSTBADER: Thank you, Assemblyman Brown.

For the record, Assemblyman Harry McEnroe has joined us. Welcome, Harry.

Do any of my colleagues wish to make any opening statements?

ASSEMBLYMAN MCENROE: If I may, Mr. Chairman, I would like to make a short statement. This is the third of our Task Force hearings. I think they have been productive. We have had excellent testimony from very well-qualified people and from citizens who come to the hearings with great concern. It is an understandable concern. There are circumstances in our society which are prevalent at the current time that impact on people's lives. It is unfair, and it must be dealt with.

There is a short-range solution; there is a long-range solution. We have heard testimony from some of our chief law enforcement people, who said-- They responded that the immediate goal must be swift and sure incarceration of the

offenders. I think there is general agreement with that in the Legislature. In the long range, we must really change the attitude of young people as it relates to their societal responsibilities.

So, these hearings have been productive. I congratulate you, Mr. Chairman, for conducting them well. I think we are here really more to listen than to pontificate about what we feel is important, but we do hope, within a short period of time -- as my colleague Mr. Brown has just mentioned -- that we will have a package of legislation prepared for the full consideration of the Legislature. The report of this Committee is awaited. It will be given very conscientious attention by the Legislature. So we hope to have in place a package beneficial to law enforcement that will react to the needs of our society.

The word is out. The hearings do produce, I am sure, recognizable -- not a change in attitude, but a recognition that this is serious business we are about, and I am pleased to be a part of the panel.

ASSEMBLYMAN LUSTBADER: Thank you, Harry.

Assemblyman DiGaetano?

ASSEMBLYMAN DiGAETANO: Thank you, Mr. Chairman. I think just to sum up the comments of all of the members of this Committee, the testimony we are looking for in these hearings is not just on the legislative side of the sentencing or sanctioning, and that is important. We have seen, throughout our hearings, that -- and we know it from our own life experiences -- these offenses affect every walk of life, every income level, and just about every area of the State. While we may live in suburbia, we may work in the City of Passaic or Newark or Trenton or Camden, and therefore we become subject to it, or we drive to one of the shopping malls.

Very interestingly, not long ago in my hometown, the City of Passaic, we saw that these offenses are also applied to



elected officials and law enforcement officers. Our recently sworn in interim Mayor, just a couple of days in office, living in a middle-income area of the community, had a six-year-old Chevrolet Caprice stolen from his driveway. It was about a month ago. It still has not been found. So clearly, this problem pervades society.

The legislative approach that we take -- again I will repeat -- is not just geared toward the penalties. Certainly we must make sure that the seriousness of the penalty, sentence, or sanction fits the seriousness of the crime. But we also need to look at what some call the "supply side." Why are these things occurring? Is it a mark for juveniles? Is it a notch in their belt to steal vehicles and joyride them? Is it somebody's income to steal vehicles for profit? So clearly we need to look at the sanctioning side and the penalty side. We are also looking for input on the side of the deterrents or the disincentives, or the incentives to stay straight, if you will.

With that, I would like to have testimony begin, Mr. Chairman. Thank you for this opportunity.

ASSEMBLYMAN LUSTBADER: Thank you, Assemblyman.

I have a list of people who have signed up to testify. I will begin in the order that they were presented to me. I would hope that people would keep their testimony brief, so that everybody will have an opportunity to testify. If you think there is any redundancy in your testimony after you have listened to earlier testimony, perhaps you might want to reconsider whether or not you want to testify.

On the other hand, we also suggest that if anyone is interested, they are welcome to send us any kind of written material. We would be happy to put it into the file and make it part of the record, and consider it in our final report.

With that, I will call FBI Director -- not Director, but someone in the FBI Newark Office, Special Agent James C. Esposito.

SPECIAL AGENT JAMES C. ESPOSITO:  
Thank you for having me -- to Assemblywoman Crecco and her staff -- and for inviting me to be part of this Task Force discussion tonight with the community. I have about five or six minutes of comments that I would like to make for the record, and I would then be available for questions later on, if that is appropriate. I have also brought with me for your record copies of the Federal legislation, which I will touch on in just a minute.

Let me just say that I applaud the efforts of this Committee to address this very serious problem in New Jersey from the standpoint of the legislation and the studying you are doing, as well as having these kinds of hearings and bringing this illumination with discussion and with facts to our communities. A lot has been said about this particular problem. Some levels of hysteria, unfortunately, have been raised by it. I want to put into some perspective what our part of the effort has been in New Jersey.

The Newark Office of the FBI is responsible for 18 of the 21 counties in New Jersey. The Philadelphia Division of the FBI handles matters in Salem, Camden, and Gloucester Counties. But within those 18 counties that my staff is responsible for, we have 7.2 million people. We have worked very closely on this issue of carjacking with the Office of the Governor, as well as the Attorney General, Robert Del Tufo. Fred Morrone, from the State Police, is here. Colonel Justin Dintino and their staff-- We have worked very closely with them, too, as well as with former Acting Prosecutor Jim Mulvihill in Essex County and Drew Ruotolo in Union County. We have representatives from my office who regularly meet with the North Jersey Study Group on carjacking, as well as having our own Task Force, which I will mention in just a minute.

We, on the Federal side, work very closely with the United States Attorney in the person of Michael Chertoff. We

have created in my office a Violent Crime Fugitive Task Force, which has been in existence for some time. We have incorporated into that investigative group our efforts with regard to carjacking. It is a phenomenon that has come onto the scene, from the studies we have done, within the last -- prominently within the last three years. In some ways it can be considered urban and suburban terrorism for the 1990s, and it has gotten everybody's attention, as it rightly should have.

I have said before that our freedom to travel is a cherished right that all the citizens in this State ought to have and ought to be comfortable with. We have seen, as I say, from our studies, that the rise in carjackings in the United States and in New Jersey has paralleled the rise in violent criminal activity. The reaction, I think, on the part of the FBI and the Federal government has been fairly swift. We have taken a very aggressive posture with regard to enforcement, particularly of the new law that has come onto the books since October of this year.

It is important, I think, to put into a little bit of perspective some of the fears the public has about this situation with regard to their safety and their feeling about the possibility of them being victimized as they move about. The carjacker's motivation is to steal the car or to get the money and the valuables of the occupants. The vast majority of carjackings that have taken place do not result in harm to the operators or the passengers of the vehicles. Ninety-five percent of the vehicles that are taken in carjacking situations are recovered, as opposed to, for all stolen vehicles in this country, some 62 percent recovered. So the recovery rate is very high.

The important thing, I think, that the public has to keep in perspective, is that in those carjacking situations, only 1 percent to 2 percent of those takings have resulted in violent harm to the operator or to the passengers. That is not

acceptable to any of us in law enforcement, and they properly get the attention of the media and your Committee, and the Congress of the United States as well. We are working very hard to make that percentage even smaller, but it ought not cause us to alter our plans to travel and to move about freely, and we ought not be in a state of constant fear that we are about to become victimized by this kind of a situation.

Carjacking is a crime of opportunity, and it is up to us to increase our collective awareness so that we don't, and the individual doesn't, present an opportunity for this kind of thing to occur.

I was looking at some numbers this afternoon that we have collected. The FBI is responsible for the Uniform Crime Report, which comes out every year in about August. This next presenting of the Uniform Crime Report will break out carjackings for the first time. Part of the problem we have had in looking at the problem nationally is gathering adequate accurate information, because it has been-- The crime of carjacking has been incorporated, up until recently, in the armed robbery category. Well, the various police agencies have now been asked to break that out even further, so our statistical information will be more accurate.

As best we can tell, in 1991 there were approximately 19,000 carjackings in the United States. That increased to 21,000 carjackings in 1992. To put that in perspective is the fact that 1.66 million vehicles were stolen, so that is about 1 percent or 2 percent of the total number.

You began your opening remarks, Assemblyman, with some of the national figures, and they are startling when you realize that every 19 seconds in this country a vehicle is stolen. That translates to 4550 a day. Nationally, while it may be 65 percent of the property thefts in New Jersey, it is one-half of all of the property thefts in the United States. That comes out to about \$8.5 billion, and that does not include

the economic losses attendant to the individual being inconvenienced, time off the job, having to take time to rent a vehicle or to get another means of transportation. So, those figures are particularly high.

Since June of 1989, the FBI has been involved as a national priority with regard to violent crime. This past January, we shifted 350 agents to work and address the different aspects of violent crime. The Director of the Bureau, on September 15 of last year, made carjacking a priority within our Violent Crime Program.

Finally, on October 25, President Bush signed the Anti Car Theft Act of 1992. There are several components to that legislation, but the principal part that you touched on is the fact that anyone who uses a firearm and takes a motor vehicle or threatens to use force or violence or intimidation, or attempts to do so, is liable to go to prison without parole for 15 years. If violence in the form of harm or serious injury results to the operator or the passenger, that penalty increases to 25 years. If death results, it could be up to life imprisonment.

Now, there are some other components to that legislation, which you have a copy of, and we can talk about them later. But in the interest of time, I would suggest, as has been mentioned already, that we do a couple of things: One -- and it is part of what this Committee is involved in -- is creating a sense of greater community awareness to what the problem is. We, on the law enforcement side, look for tougher enforcement. We also look for stricter sentencing and the certainty of punishment. You, Assemblywoman, have touched on that issue, and I couldn't agree with that more.

Finally, as you have mentioned, holding the parents accountable, particularly where it relates to repeat offenders. What we are seeing nationally, as well as to some extent in New Jersey, is that the individuals involved in

carjacking activity are younger and younger. Frankly, on the Federal side, we are not doing enough where it relates to juvenile offenders. We have to do more in that regard as well, I think, as does the State of New Jersey. If you would look at those four aspects of the solution, hopefully together we can come up with them.

I would also urge you to consider trying to craft the legislation to mirror, as best you can, the provisions that are in this new Federal legislation that was passed last October.

Again, I appreciate the opportunity to appear. I want to introduce to you Jim Dougherty, who is the Supervisor of our Violent Crime Fugitive Task Force, who is responsible, day to day, for addressing this problem, particularly in the Essex and Union County area, where the problem has become significant.

But again, thank you all for having me.

ASSEMBLYMAN LUSTBADER: I was going to ask my colleagues whether they have any questions at this time. (no response) If not, if you would be good enough to stay a little while, maybe there will be some questions that come up.

Just let me ask you, kind of tentatively, have you-- Are you aware of the package of new legislation that the State Attorney General has been--

SPECIAL AGENT ESPOSITO: I haven't seen it yet, but I would be most anxious to look at it and give you our view about it.

ASSEMBLYMAN LUSTBADER: I think that would be important. I think that before we recommend any legislation, we would like to be assured that the FBI and the U.S. Attorney agree that it is the best and most effective. So we will probably work to get that package over to you as soon as possible, although you may have it already. I'm not sure; I'll check it out.

SPECIAL AGENT ESPOSITO: Thank you. We would be happy to participate.

ASSEMBLYMAN LUSTBADER: Thank you.

The next witness will be Essex County Freeholder Arthur Clay.

**F R E E H O L D E R   A R T H U R   L.   C L A Y:** Thank you very much. First of all, I would like to thank Assemblywoman Marion Crecco for hosting this meeting. I am especially appreciative of that. And my former colleague on the Freeholder Board, Assemblyman Monroe Lustbader, for calling it. I am especially appreciative that it is in Essex County, which has the dubious distinction of having-- Of the 10 worst carjacking areas in the United States, three of them are right here in Essex County. I am also appreciative to you for having the hearing in the evening, rather than during the day when most sensible people would be at work and would not be able to attend, and also to the other participants who came out this evening -- Assemblyman Paul DiGaetano, Assemblyman Bob Brown, and Assemblyman Harry McEnroe. We are certainly appreciative. All of my colleagues on the Board of Freeholders are appreciative of this meeting this evening.

I would certainly like to thank you for giving me the opportunity to comment on a problem that concerns me greatly, particularly since Essex County residents must face these dangers each and every day. Car thefts have plagued Essex County for some time now. It is not only getting worse, it is continually getting worse.

With the recent rise in carjacking incidents, it is no longer just a matter of property loss. People's lives are in danger. We in local, county, and State government cannot sit idly by while our residents must risk their safety just to get to work each evening. That is especially why you are to be commended for having three meetings such as this.

At the county level, I believe we should provide more police protection. As you can see, at the same time that these violent crimes are on the rise, we saw a drastic number of

county police patrolling our roads fall. I have continually opposed this trend, and currently have a resolution to put more of the county police back on the streets.

I and Freeholder Lustbader, at the time, now Assemblyman Lustbader, both opposed what we called the "dismantling of the Essex County Police Department." They went from 147 to 43, and it was at no savings to the public. It was only a loss of police protection. That is the reason we have so many problems in our parks. You are very familiar with this, Assemblywoman Crecco. We had a meeting here not too long ago because of all the problems in Watsessing Park in Essex County. We never had these problems when we had a full complement of Essex County police. That is why Freeholder -- at the time -- Lustbader, now Assemblyman, and I fought so hard to have the funding for the county police.

Unfortunately, they were dismantled. What I am doing on the county level is, I am proposing a resolution which will be coming up at our next meeting in West Orange, on January 28, to reinstate the county police. I certainly would like to get as many residents from Essex County there as possible, because I think this would go a long way. We no longer have people protecting our parks; we no longer have people protecting our county roads. It is no wonder we have so many incidents of car thefts and carjackings.

This, I believe, is a very important first step toward any effective strategy to put a halt to the car thefts and the carjackings, but there is more that the State can do, and I believe should do. The laws governing such crimes are apparently too weak either by language or by enforcement. I am sure we are all tired of hearing about repeat offenders being back on the streets within hours of their arrest. If we are serious about stopping carjacking, we ought to be serious about law enforcement.



I am aware of several bills before the State Legislature that would establish increased penalties for carjacking. I sincerely hope that the Legislature will enact these stricter penalties and be sure that the carjackers are appropriately punished when they are caught.

Again, I want to emphasize that the people of Essex County and the entire State need action. We have no excuse for not providing for the security and protection of our people.

Thank you very much, and once again, thank you for calling this meeting especially in Essex County.

ASSEMBLYMAN LUSTBADER: Thank you. Freeholder Clay, would you just, for the record, give us your name and address and title.

FREEHOLDER CLAY: Sure. I am Arthur Clay. My home address is 78 Ridgewood Avenue in Glen Ridge, and I have been an Essex County Freeholder since 1981.

ASSEMBLYMAN LUSTBADER: I well know that. Okay, thanks, Art.

ASSEMBLYMAN MCENROE: Mr. Chairman, may I ask a question?

ASSEMBLYMAN LUSTBADER: Sure.

ASSEMBLYMAN MCENROE: Through the Chair, if I may, Freeholder, your comments-- I appreciate them. I know you have had a long and productive career in county government. You raise a question, and it is something that had surfaced, if you will, at the first hearing we had. We had testimony from the First Assistant Attorney General, Mr. De Vesa. He came and he said that they would put the full strength and authority of that Department behind the effort of the Task Force in Union and Essex Counties.

As a person concerned, as you are, with the cost of government, you know, I ask the question-- Well, this is all well and good, and we appreciate that, but we just don't want direction. We want personnel; we want assistant prosecutors;

we want Deputy Attorneys General to be funded, not so much by the taxpayers of Essex, because Essex County is not an island. You know, we are not disassociated from the rest of society. This is the responsibility of the entire State of New Jersey. I just don't want us to think, well, the problem must be that we go ahead and again appoint an additional 100 policemen in Essex County, and present that bill to the taxpayers of this particular county.

I see it as a societal responsibility, and I don't want to think the solution lies within the Board of Freeholders or the County Executive or, again, this island of Essex County. This is something that-- We are pleased to see the FBI here offering productive and good ideas as to the solution, but really the solution cannot only be just more enforcement paid for by our local taxpayers. It has to be a concerted effort by State, city, and everybody -- everybody in law enforcement. If it means working a little harder, if it means spending a little more time on the issue, I think we all have to be prepared to do it.

You know, the suggestion that we just appoint more police officers-- It takes time; it takes money. We all know that. I do think we have to insist that what we are preparing is a package of laws for the Legislature of the State of New Jersey addressing the problem in particular areas of the State, but certainly committing the funding and the support of every citizen in our State to a solution.

We hear the statistics. You know, the theft of a vehicle every 19 seconds. That is not an Essex County figure; that is the national figure. So we want to focus the attention on where the problem is. We admit that, yes, it is a serious problem in an urban center such as Essex County, but we think we should have the participation of everybody in the State.

FREEHOLDER CLAY: I don't disagree with you, but it is not a question, Assemblyman, of appointing these people. This

department was dismantled. We are not talking about putting on additional people. I am talking about just reinstating what was there. When you go from 147 to 43 in Essex County, which has the highest rate in the nation -- I mean, three of those cities out of the 10 are in Essex County -- I think it is unconscionable. We are not talking about more money. The Essex County Police Department was self-sufficient with their fines and the other revenues they brought into the county. All we did was dismantle these people, leave our people at risk, leave our parks at risk, for no benefit whatsoever. That is why I am concerned. I am an Essex County legislator, and I am just pointing out what I'm going to do as a legislator in Essex County, which has the highest increase.

I am not saying let's just go out and put more police on. I am just saying to put back what we had before, because we went from adequate protection -- we never had these problems before -- to no protection at all. That is what concerns me.

ASSEMBLYMAN MCENROE: I appreciate your concern, but I still question whether or not you can appoint an additional 100 officers, whether they are trained or not, and have fine money support their salaries.

FREEHOLDER CLAY: They were self-sufficient with the revenues they brought in, but we no longer have the revenues. Now we don't have the revenues and we don't have the county police.

ASSEMBLYMAN MCENROE: This is not the forum, but we should have a further review of that.

FREEHOLDER CLAY: Okay.

ASSEMBLYMAN MCENROE: Thank you.

ASSEMBLYMAN LUSTBADER: We can discuss this at another time. Thanks, Art.

FREEHOLDER CLAY: Thank you very much.

ASSEMBLYMAN LUSTBADER: We appreciate your coming.

Our next witness will be Ms. Lydia Davis Barrett, please. Good evening. Sorry about the other day. We tried to allow everybody time to testify. Sometimes it gets lengthy. But, in any event, you are here tonight. Would you please give your name, address, and affiliation?

**LYDIA DAVIS BARRETT:** Yes. My name is Lydia Davis Barrett. I am a voting resident of Montclair at 15 Monroe Place, and I am here as the President and CEO of the Urban League of Essex County, which has offices on William Street in Newark and on Glen Ridge Avenue in Montclair.

I am sorry about what happened before, too. I am a new President, and things were very pressed, so I really had to get back to tend to the business of trying to solve some of these problems that you are also here tonight concerned with.

I would like to begin by thanking you for giving me time to address the Assembly and to greet everyone and wish you a Happy New Year. If I leave suddenly tonight, it is because: a) I have a new car across the street, and everybody is scaring the daylights out of me here; and b), because we have a meeting in Montclair to partner with the NAACP and Fourth Ward citizens to work on a youth summit there, what we hope will be a preventive program.

The Urban League of Essex County addresses many prevention issues, and our mission as part of a national movement is to help African-Americans and other disadvantaged people gain access to mainstream society, particularly economic access, as with training and employment. This issue is related because we work with young people.

I reviewed a list of statistics related to juvenile arrests, and I would like to remind the legislators to focus on the underlying causes and the need for long-term approaches that can be both program-effective and cost-effective. We should be reminded, or we should remember that our youth are actually emulating adult society; that is, like myself, I

bought a new car. Adults place high values on cars. Some of that, in fact, is overly high values on cars. We heavily advertise cars. We congratulate each other when we buy cars. Cars have become a very big deal beyond the mere issue of simply transporting us to and from. They have become symbols to us of success and status. That is a value that comes from adults. It is certainly, like other values good or bad, transmitted to our young people. I think we just need to focus on that and remember that. Young people are following suit.

I was interested when I took a close look at some reports on juvenile crime in New Jersey that, in fact, auto thefts are not the most prevalent crime, although you can see the sharp increase in that particular category. Let me cite some of the information that I have:

In 1991, car thefts were 2112. However, burglaries were 4687 -- this is juvenile -- larceny and theft, 14,490; simple assault, 9163; drug abuse, 4515; disorderly conduct, 10,800; and criminal mischief, 7844. That is part of the list. So it suggests to me that in part, at least, I am not by any means trying to trivialize the horrors that are associated with car theft and carjacking. But it does suggest to me that we are in part reacting to the media and to our own feelings about cars, and perhaps we need to focus more on the real needs of the youths involved.

We need arrests, certainly. If people commit crimes they should be arrested, but we need discipline with those arrests. Our research and our experience with young people tell us that discipline is more effective than mere punishment with youth. Many of us in this room probably have children, and we know that the most effective means of getting our children to change their behavior is when we mete out consistent and substantive discipline; that is, "Johnny, you are not going to be able to look at your favorite show or go out to play today because you didn't do the dishes," or, "You

didn't do what you were told. Johnny, you will do a little extra work around the house because you didn't do your chores last week." There is a discipline that goes with that; i.e., our family has a pattern; our family has a structure, not merely, "Johnny, I am going to beat your rear end," or something.

So, we need to keep in mind what these things are related to. We also need to keep in mind what is going on sociologically. A review of school testing reports similar to those that we administer at the Urban League for admission to our Adult Basic Skills Program suggests that a large part of this problem has to do with literacy and, with that, the lack of self-confidence and the sense of productivity that accompany having strong literacy skills. That is, when you look at characteristics of some of the youths who are being involved in these things, you find some things out about these youths.

They tend to share low literacy; there are many of them who have mental health problems, and so on. Additionally, because we are in a society that values money, the ability to earn money is most important to both adults and youth. All of us should remember the feelings of accomplishment and motivation we had when we received our first allowance after completing household chores; our first fee collection from paper routes; and, of course, our first paycheck from a real job. That's also something that these young people and, unfortunately, many of their parents are lacking.

The Legislature cannot expect urban youth, in particular, to behave like people who are empowered by strong literacy skills, when these same youths attend schools that even their own government cannot seem to accurately fund. Similarly, exercising the discipline fundamental to delay of gratification, that is, you cannot have a car until you earn the money to buy one-- That is delayed gratification, and it requires training and upbringing. Exercising that discipline

is cultivated when people know that such restraint is coupled with hard work and social approval that comes with social rewards.

In my view, for youth this means that we must offer them the same opportunities to participate in society that we had when we were growing up. Youths need increased opportunities for academic achievement and social acceptance as adults, and we as adults, legislators included, must examine and, if necessary, change our list of priorities and invest in the future. We must look at our systems and our children, and not just react to the symptoms we see.

Let me briefly give you a list of some things I am sure you have considered and you do address in your other legislation, because as I look down this list, it did seem to be heavily weighted on the punitive side. There are, for instance, disproportionate numbers of arrests for similar crimes between urban and suburban youth, between black and white youth. We need something that instills discipline, not just punishment. We need things that bring corrective action prior to arrest, such as community policing. I happen to be the Chairperson of the Montclair Civil Rights Commission, and we are working with our local police in the Community Relations Task Force to effect community policing. We think that will make a big difference.

I have to sympathize with the speaker before me about the parks. I walk in Glenfield Park in the morning. Two years ago I tried, futilely, to see if some changes could be made in the park, both in the environmental infrastructure of the park, which is deteriorating, and in the atmosphere -- the environment of the park -- because the preschool across the street is afraid to go into the park. I, myself personally, have ridden my bicycle and walked in that part during the twilight hours to simply observe, and what I see looks like some drug and some other activity. I have even walked up to

certain youth, because these are my neighbors, and chided them about smoking marijuana, and so forth. That park was a place where I went and had recreation so I didn't have to go out and steal things and beat up people or be beat up. So we do need to do something about that, as a meaningful alternative.

Head Start Programs: Only 20 percent of urban youth are served by Head Start Programs, while suburban counties are experiencing an increase in such programs.

Elementary to high school youth have to be targeted in this. These children in urban areas are experiencing push-outs; that is, the dropout rate we see is not entirely dropout, it is push-out -- school suspensions and teachers that do not entirely value them because they are frustrated.

After-school programs in this State are not even regulated. Those programs could provide meaningful activities and preventive activities for children ages 6 through 12 or 13. But, as I said, they are not regulated; they are underfunded. If you visit them you will see staff people who are trying, with a few pieces of paper and a few pieces of pencil and some other things, to provide the kind of activities that will prevent young people from getting into trouble.

I don't have to tell you about family poverty, but there is something we can do about part-time jobs for young people. Our agency, for instance, has just applied for one particular grant, a small one of \$20,000. Instead of using that grant to hire yet another social worker, we are going to leverage down that money to provide \$6-an-hour jobs for 10 hours a week; stipend type things for 13- through 16-year-olds, because we know that that age group cannot go out and get a job. That is the age group where you are too old to be, you know, in a nursery, and you are too young to get a job, but you are old enough to get into trouble.

There are some creative solutions to these things, is what I am saying.



Mental health: Please bear in mind that the youth who involve themselves in crime, if you look at their mental health, many of the urban ones have the same level, unfortunately, of mental health dysfunction as their suburban counterparts. However, in suburbia, the middle-class youth can get mental health agency assistance, or they may have parents with some limited mental health benefits, although that is shrinking rapidly. The urban youth, by and large, end up in a corrections system; a system that has enough and is overwhelmed in dealing with criminals, and now we are asking that system to deal with people whose real problem, or whose fundamental problem, in many instances, is mental dysfunction that underlies the crime. We need to pay attention.

The media effect: I am the last person to circumvent First Amendment rights, but I think we have to pay attention to the media effect. Most of our young people are not stealing cars or engaging in simple assaults and other kinds of things, whether they're white, black, urban, or suburban, but they don't get any attention. I met with a group of young people. All these children happened to be black. They were all going to school; they were working, and so forth. They don't get on the T.V.; they don't get on the radio; they don't get in The Star-Ledger, but I guarantee you, if I take those 10 or 12 kids and they rip somebody's head off, they will get front page. I don't know how we deal with that. I think we have to deal with that as citizens, but we better deal with it, because children need recognition. If we can't give it to them in a positive way, then they will get it another way.

Finally, I would say that we need community service in literacy programs. I was down visiting Whitesbog, which is a very nice kind of environmental spot where cranberries are produced. I don't know if you know that cranberries were kind of invented in New Jersey. Whitesbog is a place that serves -- continues to serve as a cranberry production area, but is also

a historical site. Near that site is a juvenile detention home. So the people at Whitesbog, thinking that they were doing well, had begun to involve the young people in the adjacent juvenile correction facility in helping to clear Whitesbog. They are trying to rehabilitate this historical site. When I went to visit, they told us that, you know, they were clearing-- The kids were helping them to clear the area and whatnot. I said, "Oh boy, this is nice," and everybody was enthused. Then I noticed that there were other children, children like our children who were visiting, you know, on little field trips. I said, "Gee, what was the response of the youth in the detention center?" They had a historian from the Ranger Service there. I said, "What was the response of these children when you told them about the rich history of this place?" The people just looked at me like, "What response?"

The upshot of this was that they had these youths from the correction facility tearing down trees, clearing grass, you know, pulling up weeds, etc., and nobody had made any attempt to use that opportunity to educate those kids, even though other children were coming down there and were being educated with field trips. When I questioned someone about this -- I am learning about the criminal justice system -- we are not really educating people, so we are recycling; we're recycling, which means that we are not really investing in our future in the most cost-effective fashion.

I would also caution against waivers in treating young people as adults. In Essex County the waivers, I think, have gone up something like 600 percent. We really can't afford that. There's got to be a better way to invest in our children here in Essex County. I'm sure the good minds around this table will find that way. The Urban League of Essex County is certainly here to be supportive and be your partners in that effort in any way we can.

Thank you for listening.

ASSEMBLYMAN LUSTBADER: Thank you for your testimony.

Lieutenant Colonel Fred Morrone, New Jersey State Police. Good evening. Please give us your name, address, and affiliation for the record.

**L T. COLONEL FERDINAND V. MORRONE:** Fred Morrone, Lieutenant Colonel with the Executive Office within the New Jersey State Police. For the sake of not being redundant, I would like to take just a few seconds to thank this Committee for their swift action and for inviting the New Jersey State Police to partake in these hearings.

At this time, I would like to show a 30-second tape that has been shown, and is presently being shown, throughout the tristate area, kind of illustrating what the New Jersey State Police is doing to highlight the serious problem of carjacking. This tape was put together by the State Police and the Attorney General's Office.

ASSEMBLYMAN LUSTBADER: I assume-- Is this the tape?

LIEUTENANT COLONEL MORRONE: Yes, it's right here. We have it right here. (witness runs the tape)

ASSEMBLYMAN LUSTBADER: You promised it was going to be short, and it was.

LIEUTENANT COLONEL MORRONE: Thirty seconds. Again, the whole point of that short T.V. commercial is that it is being played throughout the tristate area, with the idea of making the public aware of what a serious problem we have. I'm sure, with everyone here, that is the purpose of these hearings.

In addition to that, I have some material I would like to give to the Assemblymen here, which, at some point in time, can be passed out to the public. Thousands of these leaflets and brochures, if you will, have already been distributed and disseminated throughout the tristate area.

In addition to that, I would like to just take a few minutes of the Assemblymen's time to highlight what the New

Jersey State Police is doing with this serious problem of carjacking.

During the holidays -- and it has been well publicized -- over 300 State troopers were assigned specifically to patrol a number of shopping centers throughout the State, in particular the high crime areas of Essex and Union Counties where these carjackings seem to be most prominent. Also, the New Jersey State Police has joined the county and local police in supplying manpower to a number of task forces that are located throughout the State, in particular Essex and Union Counties. At present, we have four uniformed troopers assigned to that detail.

In addition to that, 42 troopers who are assigned to our Educational Services Section have been assigned to give lectures to civic groups, businesspeople, women's groups, also highlighting what safety tips can be taken by the public in an attempt to try to avoid their car being carjacked.

Also, the availability of cellular 911. This system handles all emergency calls. The public should be made aware that these calls are free, and that they are located at three State Police stations geographically located throughout the State. In this particular area, Totowa would be the station people would call in case of any kind of emergency they may encounter or if they see something that they want to report to the police. To date, 62,000 calls have been handled on this emergency hot line.

In summary, let me just say very briefly -- and again for the sake of not being too redundant -- I feel this is a societal problem, and that the steps that are being taken, not only by law enforcement, by the mere fact that here tonight you have people -- representatives from the Federal government, the State government, county and local law enforcement, but you also, through these hearings, are making the public aware of

the problem we all face. Lastly, and perhaps most importantly, is the passing of legislation and strengthening the laws in this particular area.

Thank you very much.

ASSEMBLYMAN LUSTBADER: Thank you, Colonel.

ASSEMBLYMAN DiGAETANO: Mr. Chairman, just a very quick question. This last point that you talk about in "bump and rob," isn't that contrary to our motor vehicle laws about leaving the scene of an accident? This one I have never seen before.

LIEUTENANT COLONEL MORRONE: Well again, technically speaking, Assemblyman, we can classify that as an accident, but the mere fact of defining it as "bump and rob"-- There would appear to be no injuries. In light of what is going on, in my opinion, the safest course to take is to drive to the nearest police station. You are not going to be taking evasive action by driving at a high rate of speed and trying to elude the person who hit you.

ASSEMBLYMAN DiGAETANO: Okay, thank you.

ASSEMBLYMAN LUSTBADER: Thank you, Colonel.

The next witness will be Chip Duane. Mr. Duane, welcome. Please give us your name, address, and affiliation.

**C H I P D U A N E:** Thank you, Monroe. My name is Chip Duane. I am President of Salerno Duane Automotive. We operate six dealerships in New Jersey. I am also President of the Pontiac Tristate Dealers. I am National Chairman of the Jeep/Eagle Dealer Body. I don't know if I am the only citizen here to talk to you people. When Monroe invited me here, I said, "I'll come, as long as you listen to what I am going to say." I took my time to come here, and I would appreciate your time.

This carjacking thing, and car theft, is nothing new to me. I have owned these dealerships for six years. I have had my cars stolen, my customers' cars stolen, my salesmen

carjacked, for years. Monroe knows it. He gets tired of hearing me call him every time I have a problem. We have lost, in the period of six years, over 100 cars, at great expense to me, my customers, and the insurance companies that insure my dealerships. We're talking about losses well into the hundreds of thousands of dollars.

I am going to talk to you about how I feel as a citizen, a taxpayer, and an employer. I employ 220 people, and I pay this State a heck of a lot of money. I am also going to talk to you -- even though I am not an expert -- about the root cause of the problem. I am going to give you a citizen's point of view.

But first let me tell you about the problem of car theft. You people have to understand that you have very dedicated and good police officers and people who try to uphold the justice and the law in this State. Their hands have been tied for years. I can't tell you how many policemen I have talked to after one of my cars has been stolen and they arrest a 14-, 15-year-old youth and he is out in 15 minutes before we even have an opportunity to fill out the papers to complain against him. The ones that are so blatant about it, the ones who have done it 15, 16, 17 times, who finally go to court and are convicted-- I get a letter in the mail that says, "Mr. Duane, would you be willing to approve this individual going into a-- I forget the name of the program.

LIEUTENANT COLONEL MORRONE: (speaking from audience)  
PTI.

MR. DUANE: What is it?

LIEUTENANT COLONEL MORRONE: PTI -- Pretrial Intervention.

MR. DUANE: Pretrial Intervention! It's a joke; it is an absolute joke. These people-- Somebody here said -- one of the FBI agents -- that punishment has to be direct; it has to be immediate. Your laws-- You have laws on the books that are

not being used. These people get to court and they never see a day of jail, and they know it. It's a mockery, and as a taxpayer, I think it is a travesty.

You people are as close to having anarchy on the streets in this State as anything I can tell you. If you think carjacking is a problem, wait until the next problem. You have a bag that is full -- that is filling with water, and every once in a while it springs a leak. The leak that started springing six years ago was car theft, and nobody did anything about it. You knew these people were getting out 15, 16, 17 times without ever spending a day in jail, and you didn't do anything about it. Because you didn't do anything about it, another leak sprung in the bag, and that leak is now called carjacking. If you don't do anything about carjacking, you are going to see another leak spring in the bag. It wouldn't surprise me in the least to see people in their homes held up with guns to get the keys to their cars to take them out of their driveways. Is that what we are looking at next?

I had two cases of carjacking, and I want to try to bring this home to you. A year ago, one of salesmen was at a stoplight in West Orange with his brother. Three youths put a gun to his head at a stoplight and told him to get out of his \$25,000 Grand Cherokee. He got out. He and his brother were pistol-whipped by the youths, and the car was stolen. We got the car back about two weeks later with about \$15,000 worth of damage to it.

Would you mind just looking at this? I have a short little tape I would like to show you. You don't have to turn out the lights. Just come around and look at this. (witness starts tape) This is an outtake from a commercial we were making at our Jersey City dealership. This is one of my salesmen; his name is Gary. Eight weeks ago, Gary and his fiancée got approved for a mortgage on their first house. They were to be married two weeks from the day this was shot. Gary,

the day of the shooting-- We never created this into a commercial, and you will understand why. The day we shot this commercial we closed at 9:00. Gary left our dealership in Jersey City, went to the Texaco station on Communipaw Avenue and Route 440 to fill up his brand new demonstrator with gas. At 9:10, two cars with eight youths pulled into the gas station, and at gunpoint robbed the attendant. Most of the youths took off in the two cars they came in -- took off in one of the cars they came in, and the other one waited. One of them went up to Gary, who was stopped at the gas tank to get gas, and tried to carjack his car.

We don't know what happened. Gary had his seat belt on. Whether he didn't get out of his car fast enough, whether he didn't do exactly what this individual wanted, but obviously he didn't move to the satisfaction of the youth who wanted to carjack his car. Gary's head was blown off with a .357 magnum. That was eight weeks ago. I didn't think it would be appropriate for me to come to talk to you today about car theft and carjacking without bringing it home to you. That gentleman is dead today.

So, when we talk about crime and taking care of the root causes of crime, you are at a crossroad right now. You are at a point in time where if you don't do something about this immediately, you are going to have anarchy in the streets of New Jersey.

The FBI was involved in this case because the individual who shot Gary went across state lines. I believe they caught him in Atlanta. They found that he had a record as long as your arm -- car theft, carjackings, on and on and on. The amount of time this individual spent in jail was minimal.

ASSEMBLYMAN LUSTBADER: How old was he?

MR. DUANE: Eighteen.

The other thing I can tell you from my direct knowledge of this business is that there is very little



cooperation between police departments. You can talk to the police in Summit. If they chase somebody who they find stealing cars out of our lots, if they get to Newark, they get absolutely no assistance from the Newark police. I don't know why that is. The people who steal these cars know that once they get into the Newark boundaries, the chase, the pursuit is off, and they are home free. I don't know why that is, but that is something you need to look into.

That is my testimony as far as car theft and carjacking goes, but, as a citizen, I would like to give you my view of the root cause of the problem. Just as I feel nothing is being done about the car theft problem, which we all know has been in existence, there is nothing being done about the drug problem. You talk about-- The lady from the Urban League talked about giving these people jobs and giving these people training. I've got news for you: I have ads in the paper all the time for my dealerships for mechanics, to be paid \$10 an hour as a C mechanic; to be educated to get up to \$14 an hour as a B mechanic; to get \$16.50 and \$18 an hour as an A mechanic. Good, upstanding, respectable jobs. You tell me what kid today wants to get his hands dirty to learn a trade, when all he's got to do is go out and sell some crack and make \$1000 a day.

Carjacking and car thefts are the idle pleasure of individuals who have all this idle time. If you are going to spend money to have training programs for youth -- which I think you should -- you have to do something about the biggest competitor you have to those training programs, and that is the drug trade. If you don't do anything about the drug trade, all the other problems you have in society today and the fixes for them, in my opinion, are Band-Aids.

That is my opinion.

ASSEMBLYMAN LUSTBADER: Any questions? Mr. Brown?

ASSEMBLYMAN BROWN: Just one thing I would like to point out, Mr. Chairman. I would just like to say that in terms of the Newark police-- Not only am I an Assemblyman, but I am also the Mayor of Orange. I am not a car salesman, but I have spent quite a bit of time dealing with police departments, car chases, and the various guidelines for car chases, which change from year to year, depending on the circumstances. I found the Newark Police Department to try to be quite helpful and quite effective in situations we have had. I found a number of the other departments in Essex County have, likewise, lent their assistance in matters involving the chasing of people.

See, the problem has been that there have been some accidents and some severe injuries and losses that have resulted because of car chasing. The Attorney General, in his wisdom, has tried to balance the safety of people in our communities, in our cities, against the benefit that might be gained in apprehending a particular individual. I think the policy now is that there is not supposed to be a chase into another city, for instance. There is supposed to be some kind of cooperation. We recently adopted a policy, frankly speaking, where chasing has been curtailed and limited from what it used to be, because obviously some people, unfortunately, are getting injured. Their cars have been hit during the course of the chase, and there have been complaints about police chases which have caused losses and injuries.

So what we in law enforcement have to do constantly is balance the risk of harm and injury to innocent bystanders against the benefit which may be gained from chasing somebody, for instance, who is joyriding, as distinguished from someone who may have committed a robbery and killed somebody. So, the car chase scenario can be a bit complicated from time to time, but I must say to you that my experience has been that all of our departments in this county have tried to be as cooperative

as they could be in assisting other departments with their problems, as we cross each other's boundaries. I think that needs to be said.

In terms of your comments about mechanics and people never getting in touch with you for jobs, I don't know where your establishments are, but I do know-- I would imagine that being a mechanic is something that would require some degree of training. I think my comments, along with the young lady's from the Urban League, were that we would like to find a way to get people up to the level where they can apply to the ads you are talking about. Believe it or not, there are a lot of kids in urban America who would like decent jobs and who want to earn a living, and who are not interested in selling crack -- believe it or not.

I would just like to say to you, sir, that I probably know a great many more kids in that category than the ones that you have described.

MR. DUANE: Well, if that is the case, then I think that training in car mechanics ought to be a priority in those types of training programs, because I am not unique. As I said, I represent 100 dealers in this tristate area -- we are Pontiac dealers -- and I represent 42,00 Jeep/Eagle dealers in the country. This problem is not unique to my dealerships, nor New Jersey, nor the tristate area. So there is a great opportunity for good, high-paying jobs for people who are taught a trade. If there is money available for training, then I think it should be put into those areas.

I am just telling you what I hear from the people who administer the programs from the manufacturers. It is very difficult to recruit kids today to that type of job, because they get their hands dirty and they are making a heck of a lot more money on the street doing other things. That is not my opinion; that is the opinion of people I have talked to and represent.

On the issue of the lack of cooperation from the Newark police, out of Summit over the last six years I have had over 60 cars stolen, so I do think I have some experience in this regard. I think, if you would like to take the time, you can call Chief Formichella in Summit and ask him about the lack of cooperation he gets from the Newark police.

ASSEMBLYMAN LUSTBADER: On that note, if you would ask the Chief to write us a letter, I would like to pursue that. Perhaps there is some kind of logistical lack of understanding. Perhaps there is a misconception on the part of one jurisdiction or the other. But I would like, if you want to pursue that-- If the Chief would send us a letter, I would be happy to follow it through.

MR. DUANE: I have one other comment. I talked about the number of cars I have had stolen, and you talked about the number of cars that are stolen in the State. The insurance companies are paying out a tremendous amount of money on these claims. Even the cars that are gotten back from carjackings and from theft, as one of the gentlemen said-- They don't come back in pristine condition; they come back wrecked. They have substantial damage to them.

The insurance companies have done, in my opinion, little to nothing to address this problem that they -- that I say they are paying millions of dollars out on. We are the ones paying the millions of dollars. When car thefts, carjackings, and robberies go up, all they do is raise our rates. They don't seem to take any interest in prevention.

I think it would be appropriate for the State to make a pact with the insurance companies that if you were able through your legislation to reduce the frequency of theft, to reduce the cost to the insurance companies of this, that a certain percentage of that savings to them go into these programs that the lady from the Urban League is talking about, and the programs that I am talking about. You know that any

savings they had-- There is not going to be a dollar-to-dollar give back to the people paying the bill. They'll pocket profit as a windfall. So I think you might be knocking on their door for a source of funds, instead of the taxpayers'.

ASSEMBLYMAN LUSTBADER: Do you think the manufacturers have something to contribute to solving the problem in terms of automobile safety devices.

MR. DUANE: I am tossed between that. There are cars that I sell right now that if you drive over 12 miles an hour, the doors automatically lock so that the consumer doesn't have to, as a matter of conscience, lock the doors. I have a problem with that because of what happened to Gary. I think Gary is dead today because of the problem he had getting out of the car. You never know what is in the mind of a carjacker. If the doors are locked and the woman or the man behind the wheel is startled by a gun in his face, and has locked doors and can't get out, I'm afraid that the carjacker could get as frustrated as he was with Gary, and just shoot him.

So, yes, while there are things manufacturers can do to somewhat protect the occupant from anybody getting in, I am not sure that is going to save their life.

ASSEMBLYMAN LUSTBADER: What about a panic alarm?

MR. DUANE: I think the opportunity to hit a panic alarm in a carjacking incidence, again, would put the driver in grave jeopardy of being shot.

ASSEMBLYMAN DiGAETANO: Mr. Chairman?

ASSEMBLYMAN LUSTBADER: Assemblyman DiGaetano.

ASSEMBLYMAN DiGAETANO: On that issue, I have heard from some who are of the opinion that part of the cause in increased carjackings, and maybe even the beginning of this type of an offense, is that the manufacturers increased security devices, and then it becomes more and more difficult for them to get the car from your driveway or from the street

or from your parking lot, than it is to grab it from somebody stopped at a stop sign. I don't know what the happy medium is.

You addressed the chase problem. I believe Assemblywoman Crecco was with me at a town meeting in Belleville a couple of months back, and we heard a similar complaint from police departments that Newark has a "no chase" policy. I don't know if they do or don't. I don't know what the answer is in chases. I can tell you that before I got into politics 12 years ago, I was involved in law enforcement. I was involved in a couple of chases. Depending on the nature of the incident, the officers' adrenaline can get pumping very quickly, and it is difficult to break off the chase.

I can tell you of an incident very recently that ended in our district. It started in Fort Lee. There were 27 police cars chasing one car -- and a helicopter. I would venture to say, from my point of view, that it wasn't the 27 police cars that brought that chase to an end. It may have been the first two and the helicopter, but we certainly didn't need the other 25. So, I don't know what the answer is in chases. Clearly, we shouldn't be chasing in all instances, and we shouldn't be chasing in all circumstances. If you get somebody driving a vehicle 80, 90 miles an hour through city streets -- and we have seen that -- how many people can control even the best of vehicles?

I don't know what the answer is, but I can tell you this: I respect both the chiefs who take the no chase policy position and I respect the chiefs of police who take the chase position, because both of them are done with the best of intentions. You know, again, we have to weigh, what are the consequences? Do we say to our police officers, "Chase under all circumstances, and if you don't exceed 90 miles an hour, that's okay"? Well, is 89 good? Is 79 good? I don't know. We don't have the answer to that, but I don't think the Newark

no chase policy is the reason that cars are getting stolen from your Summit lot.

MR. DUANE: Well, it is not just the Summit lot, and I don't know either. I do think you would have a heck of a lot less cars to chase if the first time you catch somebody and they have been convicted of this crime, you punish them. They are not going to be out there to do it again.

ASSEMBLYMAN DiGAETANO: I agree with that.

ASSEMBLYMAN LUSTBADER: I think clearly the motive should not be to apprehend every offender, as much as it should be to deter future offenders. Perhaps that ought to be given more consideration.

But in any event, Chip, I appreciate your testimony tonight. I think it has been very graphic, and I appreciate the video you showed. It certainly brought it right home. Perhaps you can discuss this with the Summit Police Chief, and maybe we can work something out to accommodate the problem.

MR. DUANE: I will. Thank you.

ASSEMBLYMAN DiGAETANO: Thank you very much.

ASSEMBLYMAN LUSTBADER: Chief McNiff. Welcome, Chief.

**C H I E F J A C K M C N I F F:** Thank you, Chairman. Welcome to Bloomfield, as Marion Crecco said to you earlier.

I will be brief, also, for two reasons. A lot of what I had to say, you heard before. Unfortunately, some of the things I am going to tell you, you have heard too often. I'll just cite two incidences that happened in Bloomfield which will bring the problem to a suburban area home.

Very briefly, in June of this year we had an incident where we had a group of four young men stealing a car. They arrived in Bloomfield in a stolen car and were stealing a second one. A neighbor called police, and two officers responded in two separate cars. The police car was rammed head-on; the officer injured; and the two cars split up in separate directions. Two men were caught in Belleville after a

brief foot chase, and two were later apprehended in Caldwell, where they rammed a second police car that morning, injuring a second officer.

When the youths were apprehended and identified, we learned that the driver of the car which rammed the two cars was the same driver -- juvenile -- who rammed another one of my officer's cars a year-and-a-half earlier in Bloomfield, injuring that officer and, obviously, damaging the car. The four occupants of the two cars had a collective 44 prior arrests.

The second incident happened in November of '92, whereby a woman had her purse taken and the man was arrested within minutes by the patrol officers. He was not a juvenile, he was an adult. Ironically, we didn't use the term "carjacking" until late 1988, which is-- When we identified this gentleman, we had a handicapped woman leaving for work in the morning. She was forced into her car, and driven away. A neighbor saw what was happening, called the police, and gave them a description of the car. Patrol units identified the car and pursued it. He had since pushed the woman out of the car, but he was apprehended. We learned after the November arrest that the individual had 33 prior arrests before the purse snatcher arrest in November.

Again, I don't want to be redundant. A lot of what I could say you have heard before. In the interest of brevity and the people who will follow me, I won't continue. But, irrespective of the gentleman who spoke ahead of me, what I had planned to say to you before he spoke -- and I will say it anyway -- is, in my experience, the Federal, State, county, and local police cooperation and efforts directed at these crimes are unprecedented in my years on the police force. The Union County Auto Task Force, the FBI Violent Crime Task Force, the Essex County Prosecutor, and the chiefs of police meet every -- once a month at the Essex County Police Academy. The



Prosecutor and his staff are there getting input from everybody, getting ideas. I just wanted to reiterate that. Again, I had planned to say that before the gentleman before me spoke.

As a Police Chief and as a police officer, I want to thank you for your interest. This cooperation -- which I said was unprecedented -- cooperation among law enforcement officials-- They are doing the job. They are making the arrests. It is very frustrating for these officers. I have had some of my officers get involved in rammings and chases, and it was the same kids three or four times, laughing at them. I'm sure you have heard those stories before. So, on the police side of the fence-- As I said, we are working together, with input from every level possible.

Unless there are any questions you have of me--

ASSEMBLYMAN LUSTBADER: Any questions? (no response)  
Thank you, Chief. We appreciate your testimony. Obviously, you feel that we have reason to be optimistic about the coordination of law enforcement. I think our responsibility is going to be to give law enforcement the tools it needs to apprehend those people you call "repeat offenders," so there will be swift and sure justice. That is what we are going to aim for.

CHIEF McNIFF: May I also add, sir, yes, I agree with the Freeholder. Statistics have shown -- and I don't have them with me -- from the auto task forces that this is not 50,000 criminals. It is a small segment of the population. Those are the ones who should be targeted and identified and dealt with. We can't just write off everybody as being criminals.

Thank you.

ASSEMBLYMAN LUSTBADER: The next witness will be Cathy Haggerty. Good evening.

C A T H Y H A G G E R T Y: Good evening. My name is Cathy Haggerty. I work at Project U.S.E. in Long Branch, New Jersey

for the Trek Program, which is a program-- We are contracted by the Department of Corrections, Division of Juvenile Services, to run a Residential Wilderness Treatment Program for the youths of the State. I have been working for Project U.S.E. for the last -- going on five years with the youth at-risk population, primarily the last three years with adjudicated youths.

For the last three years of the program, primarily we targeted Newark, Essex County U.S.E. to be part of our program. It is new to the State and to the Division. We targeted Essex County because it was a county desperately needing help and alternative programs of treatment for kids. We accepted young boys, teenagers, between 15 and 18, who primarily had crimes of car thefts and some smaller charges of selling drugs, but mostly nonviolent crimes.

I think I agree with the gentleman -- the people who have said that we do need stricter laws and stronger deterrents. The kids need to see these things-- They need to know that the punishments are harsher than what they are. We interview kids throughout the State to be part of our program, and we ask them, you know, "Why do you do this? What got you involved in stealing cars?" All of them have long charges -- counts of stealing cars for years before they end up in Jamesburg or Skillman. They do it because-- They say they do it because there is nothing else to do in the city. I don't know too much about what goes on, what is available to youths in the city, but it sounds like the car thieves are mainly thrill seeking. They are looking for something that is exciting. Stealing cars is what does it for them.

They do see, oftentimes, their punishments as a joke. I know that all their friends end up in Jamesburg, so the gangs they are in out there stealing cars with, that is their family. It essentially becomes their family. They are out there on the streets. They are cutting school with them. They

are hanging out with them. To be sent to jail and be pretty well taken care of in residential group centers around the State and not treated too poorly, isn't so bad.

We know that a lot of kids are getting a lot of love and care throughout our State programs from the kids that we meet. There are caring staffs at residential centers, and people who counsel them and care about them and want to see them succeed. Those are things that they are not getting at home. They don't have father figures, a lot of these boys. They don't have good role models. They are not getting proper discipline.

I think a big thing that people have a hard time with when we interview these kids, is that they show no remorse. They say, "Yeah, I'll go back and do it again." It's just a reality: "I'll go back. I am going to make money. I'm going to steal cars. That is just what we do." I think some insight has been given to me recently watching a program on television on "20/20" which talked about kids like this who don't show remorse and end up as recidivists in our juvenile justice system. A lot of these kids are coming from families -- parents who are drug addicted or have alcohol problems. They are born essentially with mental dysfunctions, so there are a lot of mental health cases in the State. Kids that end up in the correction system-- They are not being rehabilitated at all, because they are not habilitated to begin with. You can't rehabilitate somebody if they are not healthy to start.

I think solutions that I have thought about are mainly that we need to put more energy into prevention and education, and certainly spend a lot of time in making sure that the law enforcement is there upholding that end of it to try to deter, but get to the root of it, like, why are they behaving this way, and what can we do before they enter -- get to the point of this stuff?

Kids that we have interviewed, talked to, and who have successfully completed our program, which is a 40- to 60-day wilderness program where they either travel around the State of New Jersey, if they are committed youths, or if they are probation youths they are sometimes allowed to travel around the country on extended wilderness expeditions. We check in with them. We have recently done some follow-up to find out if they are back in the system, or whatever. But through all of our interviewing and talking with kids one-on-one -- we spend 24 hours a day, seven days a week out there with them while we are on our wilderness trips -- we have found that they need more in the city. They need more activities.

You need to talk with the kids. You guys should have somebody meeting with the kids and saying, "What is it we can do to keep you from doing this? Is there something that we are overlooking? Do you need better schools? Do you need more one-on-one attention from counselors?" Maybe schools need to have more psychiatrists in them where kids can get therapy once a week. I think everybody knows the educational system is a big problem. More Boys and Girls Clubs where kids are experiencing different things and getting out of the city, and participating in some challenging wilderness type stuff that we do that boosts their self-esteem.

The gentleman from the car dealership was talking about how he has advertisements for jobs. I know boys who have dreams of being mechanics, but their self-esteem is so low that, who is going to respond to an ad? You know, they think, "I could never do this." They have been told for 15 or 17 years that they are failures and that they have had problems in school and they failed out of everything they tried. What is to stop them from failing one more time? They go to what they know, and that is car theft and drug dealing. That is where their role models are.

I know Essex County does have a mentoring program, but I think that is something else that really needs to be looked at; getting more successful males from the area investing in the children, investing in the boys who are becoming men, faster, probably, than most of you men did. They are forced to. You know, ultimately getting a mentoring program at every school-- I think, the more the better.

But we wouldn't need mentoring programs if we educated earlier on about telling young kids what happens when you have a child when you are 15 and you're drugging and you are involved in the system. What chances are your children going to have? You need to be able to be there and be a father. So, educating young boys early on and trying to get them to understand what it means to be a man and what it means to be a parent-- It is kind of strange for me to talk about what it means to be a man. I can't really comment too much more about that.

I feel, personally, that I am biased towards wilderness programs, because that is what I have done for the last five years. I have seen the high that kids come off of when they complete a 40-day or 60-day expedition. If it is in New Jersey, it is hard to believe that we have wilderness here, but we do. These are kids from the city who hardly ever see trees or deer, and deer become exotic to them -- and raccoons and stuff. They finish one of our programs and they are on the biggest high. If you could harness that somehow, take that and keep it going, then I would be out of a job because they wouldn't be returning to the system.

One good idea I think I have, is a mandatory type of community service project in the cities where-- From my personal experience, we have mandatory community service in our wilderness program, where you either do cleanup projects or, what has been more successful, work with the community; working either with mentally handicapped people and having the kids do

some fun type games with them, or take them on a hike, or for a ride in a canoe. We have had them work with Boys and Girls Clubs in the cities, having them come up to our wilderness camp and take them rock climbing, where our boys become the facilitators, the teachers, anything that puts them in a responsible and leadership type role -- positive leadership that makes them feel good. Those types of service projects, I think, are invaluable. If you can, in schools, begin at an early age, again, having kids work in rebuilding their own city, they are not going to want to trash it. They are going to want to keep it going and keep it alive. I know that's true from working and doing those kinds of projects.

You know, maybe this sounds a little fluffy, but programs that help to develop these boys' and girls' artistic and creative abilities. These kids are some of the most creative individuals that I have ever seen, and I have worked with prep school kids and every economic and age group. The kids from Essex County, and Camden County also, are very expressive, and they love to express themselves through music, art, and those things. I think if you can develop more programs where they can build their self-esteem and self-confidence, again, that would be good.

ASSEMBLYMAN LUSTBADER: I have to move this along, if you don't mind--

MS. HAGGERTY: Sure.

ASSEMBLYMAN LUSTBADER: --because there are other witnesses, and it is growing late.

MS. HAGGERTY: Okay.

ASSEMBLYMAN LUSTBADER: Maybe you would like to sum up?

MS. HAGGERTY: Yes. I just want to say in summary that not all these kids are bad to the core. There are some really bad kids, but a lot of these kids are workable; they are not disposable. More attention needs to be paid to prevention.

Thank you.

ASSEMBLYMAN LUSTBADER: Thank you for your testimony and your very excellent insight.

MS. HAGGERTY: Thank you. Sorry I talked so long.

ASSEMBLYMAN DiGAETANO: That's okay.

ASSEMBLYMAN LUSTBADER: I am going to call the next witness. Because the hour is growing a little late and my colleagues have other commitments, I would ask the remaining witnesses to try and be as brief as possible. As I said earlier, if what you have to say is redundant, then perhaps we can ask you to waive your oral testimony, or submit a letter.

In any event, the next witness will be Ted Brown, Essex County Prosecutor's Office.

**A S S T. P R O S E C U T O R T H E O D O R E A. B R O W N:**  
Thank you. Mr. Chairman, Assemblywoman Crecco, Committee members: My name is Ted Brown. I am the Assistant Prosecutor for Essex County. I am the Director of the Chronic Auto Theft Prosecutions Unit. This unit was formed in November of 1992 to focus on carjackings -- the prosecution, apprehension, and investigation of carjackers. I am also a part of the Essex/Union Auto Theft Task Force. I have been a part of that since its formation almost a year ago as a legal adviser and administrative adviser.

Part of my responsibilities with the Chronic Auto Theft Prosecutions Unit is to compile statistics, and to analyze these statistics for apprehension purposes, as well as for statistical purposes. Although our statistics are preliminary now, we have seen some 315 reported carjackings in Essex County in 1992, and we do see a downward trend. Although we do not have statistics from 1991 to compare to 1992, in comparing January '92 with December of '92 we see a reduction of approximately 25 percent in carjackings.

We view carjackings to be a solvable law enforcement problem. In Essex County, although in 1992 we have had some 315 carjackings, we don't have 315 carjackers. We find that

most of the carjackers travel in groups of two or more. We call them "carjacking crews." We are of the belief that we perhaps have 50 carjacking crews active in Essex County. When we apprehend and put in jail and convict five carjacking crews, we reduce that number by 10 percent. When we convict 10, we have reduced it by 20 percent. Our goal in 1993 is to reduce it as much as is humanly possible.

I am here on behalf of Prosecutor Clifford Minor, who has made carjackings and auto theft one of the top priorities of his administration. I am also here with Michael Tomich, a Prosecutor's Investigator, also of the Chronic Auto Theft Prosecutions Unit, right here.

I applaud what the Committee is doing. I applaud what the Federal FBI and U.S. Attorney's Office are doing. I work intimately with both Jim Dougherty and Jim Esposito on a weekly, if not a daily basis. I am part of the tricounty, that is, the Essex, Union, Hudson County Carjacking Task Force. We will be meeting again tomorrow. We have monthly meetings. Among the things we are doing is designing computer data bases, very sophisticated data bases, for both the apprehension and investigation of these carjackers, as well as compiling statistics.

I will be happy to answer any questions you might have.

ASSEMBLYMAN LUSTBADER: Any questions? (no response)  
Your testimony is in the record. We appreciate your coming tonight. We look forward to the cooperation of the new Prosecutor. Please tell him that we thank him, too, for asking you to come.

ASSISTANT PROSECUTOR BROWN: Thank you, Mr. Chairman.

ASSEMBLYMAN DiGAETANO: And keep up the good work.

ASSISTANT PROSECUTOR BROWN: Thank you.

ASSEMBLYMAN LUSTBADER: Pat Mahon.

P A T R I C I A M A H O N: I will condense it.



ASSEMBLYMAN LUSTBADER: Okay, that would be good. We appreciate it.

MS. MAHON: I'm Pat Mahon. I live at 154 North Spring Street, Bloomfield, and I am a victim of two auto thefts in five months. As you can see by what I gave you -- and I would like to thank the Assemblywoman for inviting me -- my out-of-pocket expense for these two auto thefts was \$4000, cash.

The gentleman prior to me spoke about no cooperation from the Newark Police Department. I also found that to be true. The second time was an attempted auto theft. My son waited five hours on the streets of Newark for the police to respond. They never responded. I then, at 3:00 a.m., was able to get someone in Belleville to go down to Newark and tow my car. I spent eight hours the next morning on the phone to everyone in the City of Newark to get some answers as to why there was no response. No one would return my calls until, at 4:30, I finally called Acting Prosecutor Mulvihill, and I got action in 10 minutes. I could not get a police report because no one would respond. They told me it was a low priority.

The perpetrator was inside the car at the time. The security guard at the building approached the car, got into a scuffle with the perpetrator, and he took off. Had there been a response, maybe he could have been caught, because I assume he went to someone else's car. He had broken the windows, the door locks, but I think five hours is a little extensive.

It might have been a low priority call because of the fact that he did not take the car, but my son standing on the streets of Newark for five hours could have turned into a very high priority call. I did call the Police Director's Office, and my call was returned a week-and-a-half later. The report was then taken by the Auto Task Squad which I had called three times on that day, and they told me that they did not work weekends, so they could not take the report. Captain -- I think it was Gill -- got the report taken for me, and then the

Director's Office, a week-and-a-half later, said that due to my inconvenience, he would then mail me the report at no expense. But no one would take a complaint as far as a no response to my calls for aid on the streets of Newark on a Sunday night.

The original car theft was in Mountainside. I was notified at 3:00 a.m. by the Mountainside Police Department that my car was found in Newark. I then, the next morning, on Saturday, had to be subjected to trying to recover my car from Newark. My car was towed from Richelieu Terrace to Raymond Boulevard. The tow fee was \$125. If you look on the map, it was not that far away. The tow from Newark to Belleville was \$58.

When I got into my car approximately eight hours later, the disarray was unbelievable. The police report has a blank spot as to whether or not there was anything inside my car. I understand the car thieves probably took my camera. They left my earrings; they left my cassette tapes; they left my jackets, but I am hard-pressed to believe that they took off with 25 pounds of dog food, four gallons of juice, and 20 pounds of kitty litter, so somebody has a junkyard dog that was fed well that day.

The towing companies, I assume, are under contract to the City of Newark and this is a yearly bid.

ASSEMBLYMAN LUSTBADER: That seems to be a subject of contract between the City of Newark and private towing.

MS. MAHON: Are they private towing? Because when you go to pick up the car, the Auto Task Squad gives you a photocopy of, "Your car is in Lot A; your car is in Lot B."

ASSEMBLYMAN LUSTBADER: Those are the yards that the city maintains for cars that have been either abandoned or stolen.

MS. MAHON: There are police departments where, when they do recover a car, the officer, of course, has to wait with the car until the tow truck comes. The officer then makes a

list of the entire contents of the car. The tow truck driver then signs the release, and all those items better be in that car when that person picks their car up. But not in the City of Newark. So when it gets to the tow yard, the car is tossed. Anything that is left in it is left to anybody who happens to be in the vicinity. I think this is a severe atrocity, because nothing inside the car is redeemable under your auto insurance. If you are fortunate enough to have home owner's, which a lot of apartment dwellers don't, you are also into a deductible, and you recoup nothing.

I don't understand why, if these tow truck drivers are under contract to the City of Newark, they cannot have a Poloroid camera and take a quick couple of shots of the interior of the car and anything that might be left in it, if they do not want to stand there and make a list, because once again you are victimized.

The second time I just had to pay out of my pocket the \$800 to get my car repaired, because there was no police report so there was no way I could get an adjuster, and I could not go through the hassle. I work two jobs. I have raised two children. I am a single-income household. Four thousand dollars out of my pocket, I think, is an exorbitant expense. I think that something has to be addressed to the taxpayers. I am not single. There are thousands of me out there that have paid thousands and thousands of dollars on recovery.

All we hear about are these poor kids, the low self-esteem, that they steal cars. When you had the meeting that was with New Jersey Network News, two hours on T.V., I thought the psychologist said at that time, "Car thieves and drug pushers have no self-esteem problems. They are just out there strutting their stuff."

Also, in the State of New Jersey, like in the rest of the country, we do have a large uncompensated health care bill. How much of this is for these people who are wrecking

these cars and being taken into the hospitals; these kids who become head traumas and then we are saddled with them for the rest of our lives; or they have broken their leg, or they have had to have surgery because they have taken someone's car and driven it into a telephone pole? Now you and I, as taxpayers, have to pick up the medical expenses behind keeping this kid for the rest of his natural life, after he has already destroyed my personal property. I don't think anyone has figures on that.

I don't think that anyone who is hurt, such as the police officers who are subject to these violent crimes out there-- They don't get health care benefits as good as these kids get. Through Medicaid, these kids get everything, and then they can't be prosecuted for their crimes because now they are a head trauma, and they don't remember that they stole a car.

I think that is all I have to say.

ASSEMBLYMAN LUSTBADER: Okay, thank you. We appreciate your testimony. You certainly add realism and give us a graphic picture of what can happen here.

MS. MAHON: I'm very spoiled, because I live in Bloomfield, and we do have a Police Department that does respond with, usually, four minutes.

ASSEMBLYMAN LUSTBADER: Well, that's great.

I think this is going to have to be the last witness because of the time constraints of my colleagues. Philip Costello?

Is there anyone here who signed up to testify who did not receive an opportunity? If there is anyone in the audience who would have wanted to testify, feel free to write to us. I can have Ms. Bavati (Task Force Aide) there, who is sitting at the right-hand side of me, at the end near the wall-- She would be happy to take any written statements, or you can take the address from her and write to us within the next few days.

Okay, Mr. Costello.

**P H I L I P C O S T E L L O:** Just a few brief comments. I am the Executive Director of Project U.S.E. I work with Cathy, who spoke earlier. We are a nonprofit corporation. We have been working in Newark for 15 years, only about three or four years with the Department of Corrections. We are not experts in car theft, but when you take a problem like carjacking, I think the Band-Aid approach is just trying to, you know, fix one little piece. Most of our work and experience has been in the area of prevention.

One of the theories that we have looked at, and are looking at very carefully this year, is what sometimes is called the rights of passage. I think as I was growing up, and probably a lot of other people, men especially I think, the right of passage was when you got somewhere between 10 and 16 you had either additional responsibilities -- maybe it was a hunting or fishing experience with your father, but there was some nurturing along into sort of early manhood. I think in a city like Newark, if experiences are provided for kids, that they do find their own and they make their own system for moving through a rights of passage that is a streetwise rights of passage.

A lot of the kids that we have worked with do have a long history of juvenile crime, usually from 12 years old on. I am astonished sometimes the first time a kid is in Jamesburg, or wherever, they might have 20 to 40 previous arrests without any kind of interventive programs. One of the things I think we would recommend is early intervention; some experiences, some opportunities for kids to grow up before they do commit some more serious crimes.

We are really committed to the City of Newark, along with the Corrections programs we work with. We work with about 10 or 15 schools as well with youth at risk. One of the things Cathy spoke a little bit about is, we feel we have had some tremendous success experiences with kids who had previous

arrests and had committed a number of crimes. The opportunities we gave them to grow, to build self-esteem and self-confidence, moved them to a point where they decided that they were going to try to get themselves together.

I think a lot of the kids that may end up carjacking at some point when they are 16 to 19-- Kids reach a point, we believe, when they decide that it is maybe time to get themselves together. I think we need to provide opportunities for that to happen, or, you know, we will just miss them.

I just want to be an advocate for preventive programs and early interventive programs. We have had tremendous success with wilderness experiences because they are so unique for kids.

Thank you.

ASSEMBLYMAN LUSTBADER: Thank you.

Ladies and gentlemen, as I said earlier, this is the third and final hearing for the purpose of gathering some information so that we can then make some fact-finding decisions and recommendations to the Legislature. We on the Task Force appreciate the importance of the matter and the need to do this quickly. It is our hope that we will have a final report by the end of this month, and that the Legislature will be acting upon it.

I can assure you that the thrust of this report, regardless of all the, let's say nitty-gritty that is in there, will be for swift and sure punishment of those deserving of punishment. I think what came through in the three hearings that was loud and clear, was that the repetition of the crime by a few in our communities is causing a plague. So what we have to do is deal with those offenders quickly, surely, and send the message out so that it will be a deterrent and break this cycle that seems to be proliferating that this is a crime that can be engaged in with impunity. That is what we have to correct.

I appreciate the testimony. If any of my colleagues wish to say anything, they are welcome to say something in closing.

ASSEMBLYMAN MCENROE: If I may, through you, Mr. Chairman. Two prior speakers -- Mr. Costello and Ms. Haggerty -- both touch an area that society is concerned with; that is the opportunity to rehabilitate young people who really are causing some trauma, really, in our society. You very well identified, I think, the problem. You touched on comments and reactions by the young offenders in the program. You talked assessing it as professionals.

But is there any way you could provide data for our Task Force that would enable us to measure the success of your program, not so much hard statistics, but a really professional evaluation of the success of the program? Undoubtedly it costs the taxpayers of our State substantial moneys to have that program. It is worthwhile. It has been established as a worthwhile budgetary commitment by the State. But more than that, we need, I think, more than your reaction -- your immediate reaction to comments made by young people that, "Well, we need more to do." Beyond that, it would be well if we could identify that there is a corner they turn and say, "You know, we do have a responsibility here."

We would like to know more about that. I think it would help us, because I don't want to come down on the side of punitive measures, and here is the way we incarcerate young people, and here is the way we treat offenders. I would like to look at it and respond immediately with harsh treatment of the offenders and the guys who are that small click of crews running around our county, as identified by Mr. Brown, as causing a scourge on our society. We need to isolate that absolutely, but beyond that we need to build our society so that we can respond to all of our needs, and I think that is a good way of doing it.

So the information from your group to the Chair and to the Committee in a timely manner in the form of a program report would be very helpful.

MR. COSTELLO: We'll do that.

ASSEMBLYMAN McENROE: Thank you.

ASSEMBLYMAN LUSTBADER: Thank you.

**(HEARING CONCLUDED)**



## APPENDIX



Title I--Tougher Law Enforcement Against Auto Theft

- Title II--Automobile Title Fraud

- Title III--Illicit Trafficking in Stolen Auto Parts

- #### Title IV--Export of Stolen Cars

- 7-10097446001

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**SUSPEND THE RULES AND PASS THE BILL H.R. 4542, WITH AN  
AMENDMENT**

**Note: The amendment consists of a complete new substitute text.**

102D CONGRESS  
2D SESSION

# H. R. 4542

To prevent and deter auto theft.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 24, 1992

Mr. SCHUMER (for himself and Mr. SENSENBRENNER) introduced the following bill; which was referred jointly to the Committees on the Judiciary and Ways and Means

MAY 20, 1992

Additional sponsors: Mr. ATKINS, Mr. BEILSON, Mr. BERMAN, Mr. DEFazio, Mr. GREEN of New York, Mr. HORTON, Mr. LaFALCE, Mr. MARTINEZ, Mr. MAZZOLI, Mr. MOORHEAD, Mr. ROE, Mr. SCHIFF, Mr. TOWNS, Mr. HYDE, Mr. PERKINS, Mr. WASHINGTON, Mr. BRYANT, Mr. FASCELL, Mr. SOLARZ, Mr. NOWAK, Mr. RAMSTAD, Mr. LEVINE of California, Mr. OWENS of New York, Mrs. BOXER, Mr. McNULTY, Mr. LOWERY of California, Mr. GEKAS, Ms. MOLINARI, Mr. HOAGLAND, Mr. SERRANO, Mr. JOHNSON of South Dakota, and Mr. FEIGHAN

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## A BILL

To prevent and deter auto theft.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Anti Car Theft Act  
5 of 1992".

6 **TITLE I—TOUGHER LAW EN-**  
7 **FORCEMENT AGAINST AUTO**  
8 **THEFT**

9 **Subtitle A—Enhanced Penalties for**  
10 **Auto Theft**

11 **SEC. 101. FEDERAL PENALTIES FOR ARMED ROBBERIES OF**  
12 **AUTOS.**

13 (a) IN GENERAL.—Chapter 103 of title 18, United  
14 States Code, is amended by adding at the end the fol-  
15 lowing:

16 **"§ 2119. Motor vehicles**

17 "Whoever, possessing a firearm as defined in section  
18 921 of this title, takes a motor vehicle that has been trans-  
19 ported, shipped, or received in interstate or foreign com-  
20 merce from the person or presence of another by force and  
21 violence or by intimidation, or attempts to do so, shall—

22 "(1) be fined under this title or imprisoned not  
23 more than 15 years, or both,

24 "(2) if serious bodily injury (as defined in sec-  
25 tion 1365 of this title) results, be fined under this

1 title or imprisoned not more than 25 years, or both,  
2 and

3 “(3) if death results, be fined under this title  
4 or imprisoned for any number of years up to life, or  
5 both.”.

6 (b) **FEDERAL COOPERATION TO PREVENT**  
7 **“CARJACKING” AND MOTOR VEHICLE THEFT.**—In view  
8 of the increase of motor vehicle theft with its growing  
9 threat to human life and to the economic well-being of the  
10 Nation, the Attorney General, acting through the Federal  
11 Bureau of Investigation and the United States Attorneys,  
12 are urged to work with State and local officials to inves-  
13 tigate car thefts, including violations of section 2119 of  
14 title 18, United States Code, for armed carjacking, and  
15 as appropriate and consistent with prosecutorial discre-  
16 tion, prosecute persons who allegedly violate such law and  
17 other relevant Federal statutes.

18 (c) **CLERICAL AMENDMENT.**—The table of sections  
19 at the beginning of chapter 103 of title 18, United States  
20 Code, is amended by adding at the end the following new  
21 item:

“2119. Motor vehicles.”.

22 **SEC. 102. IMPORTATION AND EXPORTATION.**

23 Section 553(a) of title 18, United States Code, is  
24 amended by striking “fined not more than \$15,000 or im-

1   prisoned not more than five years" and inserting "fined  
2   under this title or imprisoned not more than 10 years".

3   **SEC. 103. TRAFFICKING IN STOLEN VEHICLES.**

4       Each of sections 2312 and 2313(a) of title 18, United  
5   States Code, are amended by striking "fined not more  
6   than \$5,000 or imprisoned not more than five years" and  
7   inserting "fined under this title or imprisoned not more  
8   than 10 years".

9   **SEC. 104. CIVIL AND CRIMINAL FORFEITURE.**

10       (a) **CIVIL FORFEITURE.**—Section 981(a)(1) of title  
11   18, United States Code, is amended by adding after sub-  
12   paragraph (E) the following:

13           “(F) Any property, real or personal, which rep-  
14       resents or is traceable to the gross proceeds ob-  
15       tained, directly or indirectly, from a violation of—

16               “(i) section 511 (altering or removing  
17               motor vehicle identification numbers);

18               “(ii) section 553 (importing or exporting  
19               stolen motor vehicles);

20               “(iii) section 2119 (armed robbery of  
21               automobiles);

22               “(iv) section 2132 <sup>2917</sup> (transporting stolen  
23               motor vehicles in interstate commerce); or

1                   “(v) section 2313 (possessing or selling a  
2                   stolen motor vehicle that has moved in inter-  
3                   state commerce).”.

4           (b) CRIMINAL FORFEITURE.—Section 982(a) of title  
5 18, United States Code, is amended by adding after para-  
6 graph (4) the following:

7           “(5) The court, in imposing sentence on a person con-  
8 victed of a violation or conspiracy to violate—

9                   “(A) section 511 (altering or removing motor  
10                  vehicle identification numbers);

11                  “(B) section 553 (importing or exporting stolen  
12                  motor vehicles);

13                  “(C) section 2119 (armed robbery of  
14                  automobiles);

15                  “(D) section 2132 (transporting stolen motor  
16                  vehicles in interstate commerce); or

17                  “(E) section 2313 (possessing or selling a sto-  
18                  len motor vehicle that has moved in interstate com-  
19                  merce);

20 shall order that the person forfeit to the United States  
21 any property, real or personal, which represents or is  
22 traceable to the gross proceeds obtained, directly or indi-  
23 rectly, as a result of such violation.”.



1 **SEC. 105. CHOP SHOPS.**

2 (a) **AMENDMENT.**—Chapter 113 of title 18, United  
3 States Code, is amended by adding at the end the fol-  
4 lowing:

5 **“§ 2322. Chop shops.**

6 “(a) **IN GENERAL.**—

7 “(1) **UNLAWFUL ACTION.**—Any person who  
8 knowingly owns, operates, maintains, or controls a  
9 chop shop or conducts operations in a chop shop  
10 shall be punished by a fine under this title or by im-  
11 prisonment for not more than 15 years, or both. If  
12 a conviction of a person under this paragraph is for  
13 a violation committed after the first conviction of  
14 such person under this paragraph, the maximum  
15 punishment shall be doubled with respect to any fine  
16 and imprisonment.

17 “(2) **INJUNCTIONS.**—The Attorney General  
18 shall, as appropriate, in the case of any person who  
19 violates paragraph (1), commence a civil action for  
20 permanent or temporary injunction to restrain such  
21 violation.”.

22 “(b) **DEFINITION.**—For purposes of this section, the  
23 term ‘chop shop’ means any building, lot, facility, or other  
24 structure or premise where one or more persons engage  
25 in receiving, concealing, destroying, disassembling, dis-  
26 mantling, reassembling, or storing any passenger motor

1 vehicle or passenger motor vehicle part which has been un-  
2 lawfully obtained in order to alter, counterfeit, deface, de-  
3 stroy, disguise, falsify, forge, obliterate, or remove the  
4 identity, including the vehicle identification number or de-  
5 rivative thereof, of such vehicle or vehic' part and to dis-  
6 tribute, sell, or dispose of such vehicle or vehicle part in  
7 interstate or foreign commerce."

8 (b) CLERICAL AMENDMENT.—The table of sections  
9 at the beginning of chapter 113 of title 18, United States  
10 Code, is amended by adding at the end the following new  
11 item:

"2322. Chop shops."

1           **Subtitle B—Targeted Law**  
2                           **Enforcement**

3   **SEC. 130. GRANT AUTHORIZATION.**

4           (a) **PURPOSE.**—The purpose of this subtitle is to sup-  
5   plement the provisions of the Edward Byrne Memorial  
6   State and Local Law Enforcement Assistance Program to  
7   help the States to curb motor vehicle thefts and the related  
8   violence.

9           (b) **GRANTS.**—The Director of the Bureau of Justice  
10   Assistance shall make grants to Anti Car Theft Commit-  
11   tees submitting applications in compliance with the re-  
12   quirements of this subtitle.

13   **SEC. 131. APPLICATION.**

14           (a) **SUBMISSION.**—To be eligible to receive a grant  
15   under this subtitle, a chief executive of an Anti Car Theft  
16   Committee shall submit an application to the Director of  
17   the Bureau of Justice Assistance.

18           (b) **CONTENT.**—The application submitted under  
19   subsection (a) shall include the following:

20               (1) A statement that the applicant Anti Car  
21   Theft Committee is either a State agency or an  
22   agency of a unit of local government.

23               (2) A statement that the applicant Anti Car  
24   Theft Committee is or will be financed in part (A)  
25   by a fee on motor vehicles registered by the State or

1        possessed or insured within the State (and that such  
2        fee is not less than \$1 per vehicle), or (B) in the  
3        same manner and to the same extent as is a similar  
4        program financed and implemented in a State like  
5        Michigan.

6            (3) An assurance that Federal funds received  
7        under a grant under this subtitle shall be used to  
8        supplement and not supplant non-Federal funds that  
9        would otherwise be available for activities funded  
10       under such grant.

11           (4) A statement that the resources of the  
12        applicant Anti Car Theft Committee will be devoted  
13        entirely to combating motor vehicle theft, including  
14        any or all of the following:

15                (A) Financing law enforcement officers or  
16        investigators whose duties are entirely or pri-  
17        marily related to investigating cases of motor  
18        vehicle theft or of trafficking in stolen motor  
19        vehicles or motor vehicle parts.

20                (B) Financing prosecutors whose duties  
21        are entirely or primarily related to prosecuting  
22        cases of motor vehicle theft or of trafficking in  
23        stolen motor vehicles or motor vehicle parts.

24                (C) Motor vehicle theft prevention pro-  
25        grams, including vehicle identification number

1 etching programs, programs implemented by  
2 law enforcement agencies and designed to en-  
3 able the electronic tracking of stolen  
4 automobiles, and programs designed to prevent  
5 the export of stolen vehicles.

6 (5) A description of the budget for the  
7 applicant Anti Car Theft Committee for the fiscal  
8 year for which a grant is sought.

9 **SEC. 132. AWARD OF GRANTS.**

10 (a) **IN GENERAL.**—The Director shall allocate to  
11 each State a proportion of the total funds available under  
12 this subtitle that is equal to the proportion of the number  
13 of motor vehicles registered in such State to the total num-  
14 ber of motor vehicles registered in the United States. The  
15 Director shall ensure that all applicant States have an op-  
16 portunity to receive grants from an available  
17 appropriation. Any State that has not met the require-  
18 ments described in section 203 of this Act shall be ex-  
19 cluded from any allocation under this subsection.

20 (b) **GRANT AMOUNTS.**—If one Anti Car Theft Com-  
21 mittee within a State submits an application in compliance  
22 with section 131, the Director shall award to such Anti  
23 Car Theft Committee a grant equal to the total amount  
24 of funds allocated to such State under this section. In no  
25 case shall the Anti Car Theft Committee receive a grant

1 that is more than 50 percent of the preaward budget for  
2 such Anti Car Theft Committee.

3 (c) MULTIPLE COMMITTEES.—If two or more Anti  
4 Car Theft Committees within a State submit applications  
5 in compliance with section 131, the Director shall award  
6 to such Anti Car Theft Committees grants that in sum  
7 are equal to the total amount of funds allocated to such  
8 State under this section. In no case shall an Anti Car  
9 Theft Committee receive a grant that is more than 50 per-  
10 cent of the preaward budget for such Anti Car Theft Com-  
11 mittee. The Director shall allocate funds among two or  
12 more Anti Car Theft Committees with a State according  
13 to the proportion of the preaward budget of each Anti Car  
14 Theft Committee to the total preaward budget for all  
15 grant recipient Anti Car Theft Committees within such  
16 State.

17 (d) RENEWAL OF GRANTS.—Subject to the availabil-  
18 ity of funds, a grant under this subtitle may be renewed  
19 for up to 2 additional years after the first fiscal year dur-  
20 ing which the recipient receives an initial grant under this  
21 subtitle if the Director determines that the funds made  
22 available to the recipient during the previous year were  
23 used in the manner required under the approved  
24 application.

1 **SEC. 133. AUTHORIZATION OF APPROPRIATIONS.**

2       There are authorized to be appropriated \$10,000,000  
3 to carry out this subtitle for each of the fiscal years 1993,  
4 1994, and 1995.

5 **Subtitle     C—Report     Regarding**  
6 **State Motor Vehicle Titling Pro-**  
7 **grams to Combat Motor Vehicle**  
8 **Thefts and Fraud**

9 **SEC. 140. ESTABLISHMENT OF TASK FORCE.**

## 10 (a) ESTABLISHMENT.—

11           (1) IN GENERAL.—The Secretary of Transpor-  
12 tation and the Attorney General of the United  
13 States, working together, shall, as soon as prac-  
14 ticable after the date of the enactment of this Act  
15 but not later than 180 days after such date, estab-  
16 lish a task force to study problems which relate to  
17 motor vehicle titling, vehicle registration, and con-  
18 trols over motor vehicle salvage which may affect the  
19 motor vehicle theft problem. The study shall include  
20 an examination of the extent to which the absence  
21 of uniformity and integration in State laws regulat-  
22 ing vehicle titling and registration and salvage of  
23 used vehicles allows enterprising criminals to find  
24 the weakest link to “wash” the stolen character of  
25 the vehicles. It shall also consider the adoption of a  
26 title brand on all certificates of title indicating that

1 the applicable vehicle was previously issued a title  
2 brand or a title signifying "rebuilt", "recon-  
3 structed", or "flood".

4 (2) REPORT.—The task force shall prepare a  
5 report containing the results of such study and shall  
6 submit such report to the President and the Con-  
7 gress and to the chief executive officer of each State  
8 not later than 12 months after the task force is es-  
9 tablished, together with appropriate rec-  
10 ommendations to solve these problems.

11 (b) MEMBERSHIP.—The task force shall consist of—

12 (1) the Secretary of Transportation, or the Sec-  
13 retary's delegate;

14 (2) the Attorney General of the United States,  
15 or the Attorney General's delegate;

16 (3) the Secretary of Commerce, or the Sec-  
17 retary's delegate;

18 (4) the Secretary of the Treasury, or the Sec-  
19 retary's delegate;

20 (5) at least 3 representatives, to be designated  
21 by the Attorney General of the United States;

22 (6) at least 5 representatives of State motor ve-  
23 hicle departments, to be designated by the Secretary  
24 of Transportation; and



1 (7) at least 1 representative, to be designated  
2 by the Secretary of Transportation, from each of the  
3 following groups:

4 (A) Motor vehicle manufacturers.

5 (B) Motor vehicle dealers and distributors.

6 (C) Motor vehicle dismantlers, recyclers,  
7 and salvage dealers.

8 (D) Motor vehicle repair and body shop op-  
9 erators.

10 (E) Motor vehicle scrap processors.

11 (F) Insurers of Motor vehicles.

12 (G) State law enforcement officials.

13 (H) Local law enforcement officials.

14 (I) The American Association of Motor Ve-  
15 hicle Administrators.

16 (J) The National <sup>Insurance Crime</sup> ~~Automobile Theft~~ Bu-  
17 reau.

18 (K) The National Committee on Traffic  
19 Laws and Ordinances.

20 (c) REIMBURSEMENT.—

21 (1) SALARY.—The members of the task force  
22 shall serve without pay.

23 (2) TRAVEL EXPENSES.—While away from  
24 their residences or regular places of business in per-  
25 formance of services for the Federal Government,

1 members of the task force shall be allowed travel ex-  
2 penses, including per diem in lieu of subsistence, in  
3 the same manner as persons employed intermittently  
4 in the Federal Government service are allowed ex-  
5 penses under section 5703 of title 5, United States  
6 Code.

7 (3) CHAIR.—The Secretary of Transportation,  
8 or the Secretary's delegate, shall serve as chairman  
9 of the task force. The task force may also invite rep-  
10 resentatives of the Governors and State legislators to  
11 participate.

12 (d) REPORT.—

13 (1) BASIS.—The report required by subsection  
14 (a)(2) shall be made after a meaningful consultative  
15 process and review of existing laws, practices, stud-  
16 ies, and recommendations regarding the problems  
17 specified in subsection (a)(1).

18 (2) CONTENT.—The report shall specify the key  
19 aspects of motor vehicle antitheft measures nec-  
20 essary to prevent the disposition or use of stolen  
21 motor vehicles, or the major components of motor  
22 vehicles, and to prevent insurance and other fraud  
23 based upon false reports of stolen motor vehicles.  
24 The report shall indicate any of the antitheft meas-  
25 ures for which national uniformity would be crucial

1 in order for the measure to be adequately effective.  
2 The report shall recommend viable ways of obtaining  
3 any national uniformity which is necessary.

4 (3) RECOMMENDATIONS.—The report also shall  
5 include other recommendations for legislative or  
6 administrative action at the State level or at the  
7 Federal level, and recommendations for industry and  
8 public actions.

9 **TITLE II—AUTOMOBILE TITLE**  
10 **FRAUD**

11 **SEC. 201. DEFINITIONS.**

12 For purposes of this title:

13 (1) The term “automobile” has the meaning  
14 given such term by section 501(1) of the Motor Ve-  
15 hicle Information and Cost Savings Act (15 U.S.C.  
16 2001(1)).

17 (2) The term “certificate of title” means a doc-  
18 ument issued by a State evidencing ownership of an  
19 automobile.

20 (3) The term “insurance carrier” means an in-  
21 dividual, corporation, or other entity which is en-  
22 gaged in the business of underwriting automobile in-  
23 surance.

24 (4) The term “junk automobile” means any  
25 automobile which is incapable of operation on roads

1 or highways and which has no value except as a  
2 source of parts or scrap.

3 (5) The term "junk yard" means any individ-  
4 ual, corporation, or other entity which is engaged in  
5 the business of acquiring or owning junk  
6 automobiles for resale, either in their entirety or as  
7 spare parts, for rebuilding or restoration, or for  
8 crushing.

9 (6) The term "operator" means a person or en-  
10 tity authorized or designated as the operator of the  
11 information system pursuant to section 202(a)(2) or  
12 if no such person or entity is authorized, the Sec-  
13 retary.

14 (7) The term "salvage automobile" means any  
15 automobile which is damaged by collision, fire, flood,  
16 accident, trespass, or other occurrence to the extent  
17 that its fair salvage value plus the cost of repairing  
18 the automobile for legal operation on roads or high-  
19 ways would exceed the fair market value of the  
20 automobile immediately prior to the occurrence caus-  
21 ing its damage.

22 (8) The term "salvage yard" means any indi-  
23 vidual, corporation, or other entity which is engaged  
24 in the business of acquiring or owning salvage  
25 automobiles for resale, either in their entirety or as

1 spare parts, or for rebuilding or restoration, or for  
2 crushing.

3 (9) The term "Secretary" means the Secretary  
4 of Transportation.

5 (10) The term "State" means any State of the  
6 United States or the District of Columbia.

7 **SEC. 202. NATIONAL MOTOR VEHICLE TITLE INFORMATION**  
8 **SYSTEM.**

9 (a) INFORMATION SYSTEM.—

10 (1) ESTABLISHMENT.—Not later than January  
11 1996, the Secretary, in cooperation with the States,  
12 shall establish an information system (in this title  
13 referred to as the "National Motor Vehicle Title In-  
14 formation System") which will enable States and  
15 others to gain instant and reliable access to informa-  
16 tion maintained by other States pertaining to the ti-  
17 tling of automobiles, unless the Secretary determines  
18 that an existing information system meets the re-  
19 quirements of subsections (b) and (c) of this section  
20 and will enable the Secretary to implement this title  
21 as early as possible and designates, in consultation  
22 with the Attorney General of the United States, such  
23 system as the information system for purposes of  
24 this title. In establishing the system, the Secretary,  
25 working with the Attorney General of the United

1 States and the States, shall ascertain the extent to  
2 which title and related information to be included in  
3 the system will be adequate, timely, reliable, uni-  
4 form, and capable of aiding in efforts to prevent the  
5 introduction or reintroduction into interstate com-  
6 merce of stolen vehicles or parts.

7 (2) OPERATION.—The Secretary may authorize  
8 the operation of the information system established  
9 or designated under paragraph (1) by contract  
10 through an agreement with a State or States, or by  
11 redesignating, after consultation with the States, a  
12 third party which represents the interests of the  
13 States.

14 (3) FEES.—Operation of the information sys-  
15 tem established or designated under paragraph (1)  
16 shall be paid for by a system of user fees and should  
17 be self-sufficient and not be dependent on Federal  
18 funds. The amount of fees collected and retained  
19 subject to annual appropriation Acts, by the opera-  
20 tor pursuant to this paragraph, not including fees  
21 collected by the operator and passed on to a State  
22 or other entity providing information to the opera-  
23 tor, shall not exceed the costs of operating the sys-  
24 tem.

1 (b) MINIMUM FUNCTIONAL CAPABILITIES.—The in-  
2 formation system established or designated under sub-  
3 section (a)(1) shall, at a minimum, enable a user of the  
4 system instantly and reliably to determine—

5 (1) the validity and status of a document pur-  
6 porting to be a certification of title,

7 (2) whether an automobile bearing a known ve-  
8 hicle identification number is titled in a particular  
9 State,

10 (3) whether an automobile known to be titled in  
11 a particular State is or has been a junk vehicle or  
12 a salvage vehicle,

13 (4) for an automobile known to be titled in a  
14 particular State, the odometer reading information,  
15 as required in section 408 of the Motor Vehicle In-  
16 formation and Cost Savings Act (15 U.S.C. 1988),  
17 of such vehicle on the date its certificate of title was  
18 issued and such later odometer information, if noted  
19 by the State, and

20 (5) whether an automobile bearing a known ve-  
21 hicle identification number has been reported as a  
22 junk vehicle or a salvage vehicle pursuant to section  
23 204.

24 (c) AVAILABILITY OF INFORMATION.—

1           (1) TO STATE.—Upon request of a participat-  
2           ing State, the operator makes available to such  
3           State information in the information system pertain-  
4           ing to any automobile.

5           (2) TO LAW ENFORCEMENT.—Upon request of  
6           a Federal, State, or local law enforcement official,  
7           the operator makes available to such official infor-  
8           mation in the information system pertaining to a  
9           particular automobile, salvage yard, or junk yard.

10          (3) TO PROSPECTIVE PURCHASERS.—Upon re-  
11          quest of a prospective purchaser of an automobile,  
12          including an auction company or an entity that is in  
13          the business of purchasing used automobiles, the op-  
14          erator makes available to such prospective purchaser  
15          information in the information system pertaining to  
16          such automobile.

17          (4) TO INSURANCE CARRIERS.—Upon request  
18          of a prospective or current insurer of an automobile,  
19          the operator makes available to such prospective or  
20          current insurer information in the information sys-  
21          tem pertaining to such automobile.

22          (5) PRIVACY.—Notwithstanding any provision  
23          of paragraphs (1) through (4), the operator shall re-  
24          lease no information other than what is necessary to  
25          reasonably satisfy the requirements of subsection



1 (b). In no event shall the operator collect an individ-  
2 ual's social security number or enable users of the  
3 information system to obtain an individual's address  
4 or social security number.

5 **SEC. 203. STATE PARTICIPATION IN THE NATIONAL MOTOR**  
6 **VEHICLE TITLE INFORMATION SYSTEM.**

7 (a) **REQUIREMENTS.—**

8 (1) **INFORMATION SHARING.—**Each State shall  
9 make titling information maintained by such State  
10 available for use in establishing the National Motor  
11 Vehicle Title Information System established under  
12 section 202.

13 (2) **TITLE VERIFICATION.—**Each State shall es-  
14 tablish a practice of performing an instant title ver-  
15 ification check before issuing a certificate of title to  
16 an individual or entity claiming to have purchased  
17 an automobile from an individual or entity in  
18 another State. Such instant title verification check  
19 shall consist of—

20 (A) communicating to the operator the ve-  
21 hicle identification number of the vehicle for  
22 which the certificate of title is sought, the name  
23 of the State which issued the most recent cer-  
24 tificate of title pertaining to the vehicle, and the

1 name of the individual or entity to whom such  
2 certificate was issued; and

3 (B) affording the operator an opportunity  
4 to communicate to the participating State the  
5 results of a search of the information.

6 (b) GRANTS TO STATES.—

7 (1) REVIEW OF STATE SYSTEMS.—Not later  
8 than January 1, 1994, the Secretary, in cooperation  
9 with the States, shall—

10 (A) conduct a review of systems used by  
11 the States to compile and maintain information  
12 concerning the titling of automobiles, and

13 (B) determine, for each State, the cost of  
14 making titling information maintained by such  
15 State available to the operator of the National  
16 Motor Vehicle Title Information System for the  
17 purpose of meeting the requirements of sub-  
18 section (b).

19 (2) AWARD OF GRANTS.—The Secretary may  
20 award grants to participating States to be used in  
21 making titling information maintained by such  
22 States available to the operator of the National  
23 Motor Vehicle Title Information System if—

24 (A) for any State that is a recipient of  
25 such a grant, the grant does not exceed—

1 (i) 25 percent of the cost of making  
2 titling information maintained by such  
3 State available to the operator of the Na-  
4 tional Motor Vehicle Title Information Sys-  
5 tem as determined by the Secretary under  
6 subsection (d)(1)(B); or

7 (ii) \$300,000;

8 whichever is lower; and

9 (B) the Secretary determined that such  
10 grants are fair, reasonable, and necessary for  
11 the establishment of the National Motor Vehicle  
12 Title Information System under section  
13 202(a)(1).

14 (c) REPORT TO CONGRESS.—No later than January  
15 1, 1997, the Secretary shall report to Congress which  
16 States have met the requirements imposed by section 203.  
17 If any State has not met these requirements, the Secretary  
18 shall describe the impediments that have resulted in the  
19 State's failure to meet the requirements.

20 **SEC. 204. REPORTING.**

21 (a) OPERATORS OF JUNK OR SALVAGE YARD.—

22 (1) INVENTORY REPORT.—Beginning at a time  
23 determined by the Secretary, but no earlier than 3  
24 months prior to the establishment of the National  
25 Motor Vehicle Title Information System, any person

1 or entity in the business of operating an automobile  
2 junk yard or automobile salvage yard shall file a  
3 monthly report with the operator. Such report shall  
4 contain an inventory of all junk vehicles or salvage  
5 vehicles obtained by the junk yard or salvage yard  
6 during the preceding month. Such inventory shall  
7 contain the vehicle identification number of each ve-  
8 hicle obtained, the date on which it was obtained,  
9 the name of the person or entity from whom the re-  
10 porter obtained the vehicle, and a statement of  
11 whether the vehicle was crushed or otherwise dis-  
12 posed of for sale or other purposes.

13 (2) APPLICATION.—Paragraph (1) shall not  
14 apply to—

15 (A) persons or entities that are required by  
16 State law to report the acquisition of junk vehi-  
17 cles or salvage vehicles to State or local  
18 authorities if such authorities make such infor-  
19 mation available to the operator, or

20 (B) any person who is issued a verification  
21 under section 607 of the Motor Vehicle Infor-  
22 mation and Cost Savings Act stating that the  
23 vehicle or parts from such vehicle are not re-  
24 ported as stolen.

1 (b) INSURANCE CARRIERS.—Beginning at a time de-  
2 termined by the Secretary, but no earlier than 3 months  
3 prior to the establishment of the National Motor Vehicle  
4 Title Information System, any person or entity engaged  
5 in the business of an insurance carrier shall file, directly  
6 or through a designated agent, a monthly report with the  
7 operator. Such report shall contain an inventory of all ve-  
8 hicles of the current model year or any of the 4 preceding  
9 model years which such carrier has, during the preceding  
10 month, obtained possession of and determined to be sal-  
11 vage or junk vehicles. Such inventory shall contain the ve-  
12 hicle identification number of each vehicle obtained, the  
13 date on which it was obtained, the name of the person  
14 or entity from whom the reporter obtained the vehicle, and  
15 the owner of the vehicle at the time of the filing of the  
16 report.

17 (c) ENFORCEMENT PROVISIONS.—

18 (1) PENALTY AMOUNT.—Whoever violates this  
19 section may be assessed a civil penalty of not to ex-  
20 ceed \$1,000 for each violation.

21 (2) PENALTY PROCEDURE.—Any such penalty  
22 shall be assessed by the Secretary and collected in  
23 a civil action brought by the Attorney General of the  
24 United States. Any such penalty may be com-  
25 promised by the Secretary. In determining the

1 amount of such penalty, or the amount agreed upon  
2 in compromise, the appropriateness of such penalty  
3 to the size of the business of the person charged and  
4 the gravity of the violation shall be considered. The  
5 amount of such penalty, finally determined, or the  
6 amount agreed upon in compromise, may be de-  
7 ducted from any sums owed by the United States to  
8 the person charged.

9 (d) PROCEDURES AND PRACTICES.—The Secretary  
10 shall establish by rule procedures and practices to facili-  
11 tate reporting in the least burdensome and costly fashion.

12 **TITLE III—AMENDMENTS ON**  
13 **THEFT PREVENTION RE-**  
14 **GARDING “CHOP SHOP” RE-**  
15 **LATED THEFTS**

16 **SEC. 301. DEFINITIONS.**

17 (a) CARS, SPECIALTY VEHICLES, AND LIGHT-DUTY  
18 TRUCKS.—Section 601(1) of the Motor Vehicle Informa-  
19 tion and Cost Savings Act (15 U.S.C. 2021(1)) is  
20 amended to read as follows:

21 “(1) The term ‘passenger motor vehicle’ in-  
22 cludes any multipurpose passenger vehicle and light-  
23 duty truck that is rated at 6,000 pounds gross vehi-  
24 cle weight or less.”.

1 (b) CHOP SHOP DEFINITION.—Section 601 of the  
2 Motor Vehicle Information and Cost Savings Act (15  
3 U.S.C. 2021) is amended by adding at the end the fol-  
4 lowing:

5 “(11) The term ‘chop shop’ means any build-  
6 ing, lot, facility, or other structure or premise where  
7 one or more persons engage in receiving, concealing,  
8 destroying, disassembling, dismantling,  
9 reassembling, or storing any passenger motor vehicle  
10 or passenger motor vehicle part which has been un-  
11 lawfully obtained in order to alter, counterfeit, de-  
12 face, destroy, disguise, falsify, forge, obliterate, or  
13 remove the identity, including the vehicle identifica-  
14 tion number or derivative thereof, of such vehicle or  
15 vehicle part and to distribute, sell, or dispose of such  
16 vehicle or vehicle part in interstate or foreign com-  
17 merce.”.

18 (c) MAJOR REPLACEMENT PART.—Section 601(C)  
19 (15 U.S.C. 2021(8)) is amended to read as follows:

20 “(8) The term ‘major replacement part’ means any major part-

21 “(A) which is not installed in or on a motor vehicle  
22 at the time of its delivery to the first purchaser or  
23 the equitable or legal title to which has not been  
24 transferred to any first purchaser, or

25 “(B) which is a customized or modified version of  
original major part in or on a completed motor vehicle

1 after the manufacture of such vehicle but before the  
2 time of its delivery to the first purchaser.”.

3 **SEC. 302. THEFT PREVENTION STANDARD.**

4 Section 602 of the Motor Vehicle Information and  
5 Cost Savings Act (15 U.S.C. 2022) is amended—

6 (1) by amending subsection (d)(1) to read as  
7 follows:

8 “(d)(1) In the case of major parts installed by the  
9 motor vehicle manufacturer, the standard under this sec-  
10 tion may not require any part to have more than a single  
11 identification.”, and

12 (2) by adding at the end the following:

13 “(f)(1) Within 2 years after the date of the enact-  
14 ment of the Anti-Car Theft Act of 1992, the Secretary  
15 shall promulgate a vehicle theft standard which conforms  
16 to the requirements of this title and which applies with  
17 respect to the covered major parts which are installed by  
18 all foreign and domestic manufacturers into passenger  
19 motor vehicles (other than light-duty trucks) in not to ex-  
20 ceed one-half of the lines not designated under section 603  
21 as high theft lines.

22 “(2) Within 3 years after the rule under paragraph  
23 (1) is promulgated, the Secretary, based on the Attorney  
24 General’s finding under paragraph (3), shall designate all  
25 the remaining such lines of such passenger motor vehicles

Such rule  
shall be  
effective  
for model  
years  
applicable  
to such  
passenger  
motor  
vehicle.

30X

as provided in subsec-  
- 301 of this Sect.



1 (other than light-duty trucks) and apply such standard to  
2 such lines in conformance with the requirements of this  
3 title. Such rule shall also apply to the major replacement  
4 parts for the major parts described in this paragraph.  
5 ~~Each~~ Such rule shall be effective, for model years ✓  
6 applicable to such passenger motor vehicles as provided  
7 in subsection (c)(4) of this section.

8       “(3) The Attorney General shall make a finding prior  
9 to the Secretary's initiation and promulgation of a rule  
10 under paragraph (2) that the rule shall be promulgated  
11 unless the Attorney General finds, based upon the infor-  
12 mation collected and analyzed under section 615 and such  
13 other information as the Attorney General may develop  
14 (after notice and after a public hearing), that requiring  
15 such additional parts marking for all of the applicable pas-  
16 senger motor vehicles would not substantially inhibit chop  
17 shop operations and vehicle thefts. The Attorney General  
18 shall also take into account as part of the record  
19 additional costs, effectiveness, competition, and available  
20 alternatives factors. The Attorney General shall transmit  
21 the finding and the record upon which the finding is based  
22 to the Secretary. Such finding and record shall be a part  
23 of the Secretary's rulemaking record.

24       “(4) The Attorney General of the United States shall  
25 by December 31, 1999, determine, after notice and a pub-

1 lie hearing, whether one or both rules promulgated under  
 2 this subsection have been an effective means to substan-  
 3 tially inhibit the operation of chop shops, ~~taking into~~ *and vehicle*  
 4 account the additional cost, competition, and available *theft*  
 5 alternatives. The Attorney General shall base his deter-  
 6 mination on information collected and analyzed under sec-  
 7 tion 615, the 3-year and 5-year reports issued by the Sec-  
 8 retary under this title, and such other information as he  
 9 may develop and include in the public record. He shall  
 10 take into consideration the effectiveness, extent of use,  
 11 and the extent to which civil and criminal penalties under  
 12 section 610(b) of this title and 18 U.S.C. 2322 regarding  
 13 chop shops have been effective in ~~substantially inhibiting~~ *substantially inhibiting chop shop*  
 14 ~~activities~~. The Attorney General shall promptly transmit *operations and*  
 15 his finding to the Secretary. If the determination is that *vehicle theft*  
 16 one or both rules have not been an effective means to *substantially*  
 17 ~~substantially inhibit~~, the Secretary shall within 180 days *inhibit chop*  
 18 after receipt of such finding terminate by order 1 or both *shop opera*  
 19 of the rules promulgated under this subsection effective *and vehicle*  
 20 the next model year following the issuance of such order. *theft,*  
 21       “(5) The Attorney General shall make a separate de-  
 22 termination by December 31, 1999, after notice and a  
 23 public hearing, as to whether the antitheft devices for  
 24 which an exemption under section 605 is authorized are  
 25 an effective substitute for parts marking in substantially

1 inhibiting vehicle theft, taking into account the additional  
2 cost, competition, and available alternatives. If the  
3 Attorney General determines that such antitheft devices  
4 are an effective substitute for parts marking in substan-  
5 tially inhibiting vehicle theft, the Secretary shall continue  
6 to grant exemptions under section 605 at the level  
7 authorized prior to the date of the enactment of the Anti  
8 Car Theft Act of 1992 or at the level authorized for model  
9 year 2000, as determined by the Attorney General. Noth-  
10 ing in this paragraph affects exemptions granted in model  
11 year 2000 or earlier to any manufacturer.

12 “(6) The Secretary and the Attorney General shall  
13 keep the appropriate legislative committees of Congress  
14 with jurisdiction over this Act and 18 U.S.C. 2322 in-  
15 formed about the actions taken or planned under this sub-  
16 section.

17 “(g) The Secretary is authorized to periodically rede-  
18 termine and establish by rule the median theft rate under  
19 subsection (a)(1), but not more than every 2 years.”.

20 **SEC. 303. DESIGNATION OF HIGH THEFT VEHICLE LINES**  
21 **AND PARTS.**

22 Section 603 of the Motor Vehicle Information and  
23 Cost Savings Act (15 U.S.C. <sup>2023</sup> ~~3023~~) is amended—

24 (1) by striking in subsection (a)(1)(A) “in  
25 which the final standard is promulgated” and insert-

1 ing in lieu thereof "in which the Anti Car Theft Act  
2 of 1992 is enacted";

3 (2) by striking out paragraph (3) of subsection  
4 (a) and by redesignating paragraphs (4) and (5) as  
5 paragraphs (3) and (4), respectively;

6 (3) by striking "or (3)" in redesignated para-  
7 graphs (3) and (4) of subsection (a);

8 (4) by adding at the end of subsection (a) (as  
9 amended by paragraph (2)) the following:

10 "(5) Any motor vehicle line subject, on the date  
11 of enactment of the Anti Car Theft Act of 1992, to  
12 parts marking requirements under section 602 and  
13 this section shall continue to be subject to such re-  
14 quirements unless such motor vehicle line becomes  
15 exempt from such requirements under section 605.",  
16 and

17 (5) by striking paragraph (4) of subsection (b)  
18 and redesignating paragraph (5) as paragraph (4).

19 **SEC. 304. LIMITED EXEMPTION FOR NEW VEHICLES**  
20 **EQUIPPED WITH EFFECTIVE ANTITHEFT AS**  
21 **ORIGINAL EQUIPMENT.**

22 (a) CONTINUING CURRENT LAW.—The second sen-  
23 tence of section 605(a)(2) of the Motor Vehicle Informa-  
24 tion and Cost Savings Act (15 U.S.C. 2025(a)(2)) is

1 amended by inserting "through model year 1996" after  
2 "model year".

3 (b) MODEL YEARS AFTER MODEL YEAR 1996.—Sec-  
4 tion 605(a)(2) of the Motor Vehicle Information and Cost  
5 Savings Act (15 U.S.C. 2025(a)(2)) is amended by adding  
6 at the end the following: "For model year 1997 through  
7 model year 2000, the Secretary may grant such an exemp-  
8 tion for not more than 1 additional line of any manufac-  
9 turer and such exemption shall not affect the validity of  
10 the exemption of any line previously exempted under this  
11 paragraph. For model years subsequent to 2000, the num-  
12 ber of lines for which the Secretary may grant such an  
13 exemption (if any) shall be determined by the Attorney  
14 General under section 602(f)(5).

15 **SEC. 305. PROHIBITED ACTS.**

16 (a) RULES.—Section 610(a)(2) of the Motor Vehicle  
17 Information and Cost Savings Act (as so redesignated by  
18 section 306 of this Act) is amended by inserting "or  
19 Attorney General" after "Secretary".

20 (b) CHOP SHOPS.—Section 610 of the Motor Vehicle  
21 Information and Cost Savings Act (as so redesignated by  
22 section 306 of this Act) (15 U.S.C. 2027) is amended by  
23 adding at the end the following:

24 "(c)(1) It shall be unlawful for any person to know-  
25 ingly own, operate, maintain, or control a chop shop or

1 conduct operations in a chop shop of any kind or transport  
2 by any means any passenger motor vehicle or passenger  
3 motor vehicle part to or from a chop shop.

4       “(2) The Secretary shall, as appropriate and in con-  
5 sultation with the Attorney General, in the case of any  
6 person who violates paragraph (1), commence a civil  
7 action for permanent or temporary injunction to restrain  
8 such violation or the Secretary shall assess and recover  
9 a civil penalty of not more than \$100,000 per day for each  
10 such violation, or both.”.

**11 SEC. 308. VERIFICATION.**

12 (a) IN GENERAL.—Title VI of the Motor Vehicle In-  
13 formation and Cost Savings Act is amended by redesignat-  
14 ing sections 607 through 614 as sections 610 through  
15 617, respectively, by striking in section 602(e) “and 612”  
16 and inserting “and 615”, and by inserting after section  
17 606 the following:

18 "VERIFICATION OF VEHICLE AS LEGAL SALVAGE OR  
19 JUNK VEHICLE

20 "SEC. 607. (a) Any person engaged in business as  
21 an insurance carrier to sell comprehensive insurance cov-  
22 erage for motor vehicles shall, if such carrier obtains pos-  
23 session of and transfers a junk motor vehicle or a salvage  
24 motor vehicle—

25           “(1) verify, in accordance with procedures es-  
26           tablished by rule under section 609 by the Attorney

1 General and in consultation with the Secretary of  
2 Transportation, whether that motor vehicle is re-  
3 ported as stolen, and

4 "(2) provide verification to whomever such car-  
5 rier transfers or sells any such salvage or junk  
6 motor vehicle identifying the vehicle identification  
7 number or derivative thereof of such vehicle and  
8 verifying that such vehicle has not been reported as  
9 stolen or, if reported as stolen, that such insurance  
10 carrier has recovered the vehicle and has proper  
11 legal title to the vehicle.

12 For purposes of paragraph (2), the term 'vehicle identi-  
13 fication number' means a unique identification number  
14 assigned to a passenger motor vehicle by a manufacturer  
15 in compliance with applicable regulations or a derivative  
16 thereof. Nothing in this paragraph shall be construed to  
17 prohibit such carrier from transferring a motor vehicle if,  
18 within a reasonable period of time during normal business  
19 operations (as determined by the Attorney General under  
20 section 609 of this title) using reasonable efforts, such car-  
21 rier has not received a determination under section 609  
22 that the vehicle has not been reported as stolen or to oth-  
23 erwise determine whether such vehicle has been reported  
24 as stolen, except that such carrier shall provide a written  
25 certification of such lack of determination.

1       “(b) The Attorney General, in consultation with the  
2 Secretary, shall promulgate such regulations as are needed  
3 to ensure that verification performed and provided by in-  
4 surance carriers under subsection (a)(2) is uniform, effec-  
5 tive, and resistant to fraudulent use.”.

6       (b) EFFECTIVE DATE.—The regulations required by  
7 section 607(b) of the Motor Vehicle Information and Cost  
8 Savings Act shall be promulgated within 6 months after  
9 the date of the enactment of this subsection. The  
10 amendment made by subsection (a) shall take effect within  
11 3 months after such regulations are promulgated, but not  
12 before the system in section 609 of the Motor Vehicle In-  
13 formation and Cost Savings Act is operational.

14       (c) PARTS.—Title VI of such Act, as amended by  
15 subsection (a), is amended by inserting after section 607  
16 the following new section:

17                               “PARTS

18       “SEC. 608. (a) No person engaged in the business  
19 of salvaging, dismantling, recycling, or repairing pas-  
20 senger motor vehicles shall knowingly sell or distribute in  
21 commerce or transfer or install a major part marked with  
22 an identification number without—

23               “(1) first determining, through a procedure es-  
24 tablished by rule by the Attorney General in con-  
25 sultation with the Secretary of Transportation under



1 section 609 that such major part has not been re-  
2 ported as stolen; and

3 "(2) providing the purchaser or transferee with  
4 a verification identifying the vehicle identification  
5 number or derivative thereof of such major part, and  
6 verifying that such major part has not been reported  
7 as stolen.

8 "(b) The Attorney General, in consultation with the  
9 Secretary of Transportation, shall promulgate such regu-  
10 lations as are needed to ensure that verifications provided  
11 by persons under subsection (a)(2) are uniform, effective,  
12 and resistant to fraudulent use.

13 "(c) Subsection (a) shall not apply to a person who  
14 is the manufacturer of the major part, who has purchased  
15 the major part directly from the manufacturer, who has  
16 received a verification from an insurance carrier pursuant  
17 to section 607 that the motor vehicle from which such  
18 major part is derived has not been reported as stolen, or  
19 that such carrier has failed, in accordance with section  
20 607, to determine whether such vehicle has been stolen.  
21 Such person shall be required to provide such verification  
22 to any person to whom such vehicle, or any major part  
23 of such vehicle, is thereafter transferred or sold in com-  
24 merce. The Attorney General shall promulgate regulations  
25 to implement this section."

1 (d) EFFECTIVE DATE.—The amendment made by  
2 subsection (c) shall be effective on the date that the sys-  
3 tem required by section 609 is established.

4 (e) NATIONAL STOLEN AUTO PART INFORMATION  
5 SYSTEM.—Title VI of such Act, as amended by subsection  
6 (c), is amended by inserting after section 608 the following  
7 new section:

8 “NATIONAL STOLEN AUTO PART INFORMATION SYSTEM

9 “SEC. 609. (a) The Attorney General shall, within 9  
10 months of the date of the enactment of the Anti Car Theft  
11 Act of 1992, maintain in the National Crime Information  
12 Center an information system containing the identification  
13 numbers of stolen passenger motor vehicles and stolen  
14 passenger motor vehicle parts. The Attorney General shall  
15 also consult with State and local law enforcement agencies  
16 in the establishment of such system. The Attorney General  
17 shall also consult with the National Crime Information  
18 Center Policy Advisory Board to ensure the security of  
19 the information in such system and that such system will  
20 not compromise the security of stolen vehicle and vehicle  
21 parts information in such information system.

22 “(b) The Attorney General shall specify procedures  
23 by rule by which individuals or entities seeking to transfer  
24 a vehicle or vehicle parts may obtain a determination  
25 whether a part is listed in the system as stolen. If the

1 Attorney General determines that the National Crime In-  
2 formation Center is not able to perform the functions of  
3 the information system required under subsection (a), the  
4 Attorney General shall enter into an agreement for the  
5 operation of such a system separate from the National  
6 Crime Information Center.

7       “(c) The information system under subsection (a)  
8 shall, at a minimum, include the following information  
9 pertaining to each passenger motor vehicle reported to a  
10 law enforcement authority as stolen and not recovered:

11           “(1) The vehicle identification number of such  
12 passenger motor vehicle.

13           “(2) The make and model year of such pas-  
14 senger motor vehicle.

15           “(3) The date on which the passenger motor ve-  
16 hicle was reported as stolen.

17           “(4) The location of the law enforcement  
18 authority that received the reports of the passenger  
19 motor vehicle's theft.

20           “(5) If the passenger motor vehicle at the time  
21 of its theft contained parts bearing identification  
22 numbers or the derivative thereof different from the  
23 vehicle identification number of the stolen passenger  
24 motor vehicle, the identification numbers of such  
25 parts.

1     “(d) ADVISORY COMMITTEE.—

2             “(1) IN GENERAL.—The National Stolen Auto  
3     Part Information System to be maintained under  
4     subsection (a) is to be developed by the Attorney  
5     General with the advice and recommendation of the  
6     advisory committee established under paragraph (2).

7             “(2) ESTABLISHMENT.—Not later than 60 days  
8     after the date of the enactment of this Act, the  
9     Attorney General shall establish in the Department  
10    of Justice <sup>and appoint</sup> an advisory committee with respect to the  
11    National Stolen Auto Part Information System to be  
12    maintained under subsection (a).

13            “(3) MEMBERSHIP.—The advisory committee  
14    established under paragraph (2) shall be composed  
15    of 10 members as follows:

16               “(A) The Attorney General shall serve as  
17    the chairperson of the advisory committee.

18               “(B) The Secretary of Transportation.

19               “(C) One individual appointed by the  
20    Attorney General who is qualified to represent  
21    the interests of the law enforcement community  
22    at the State level.

23               “(D) One individual appointed by the  
24    Attorney General who is qualified to represent

1 the interests of the law enforcement community  
2 at the local level.

3 "(E) One individual appointed by the  
4 Attorney General who is qualified to represent  
5 the interests of the automotive recycling indus-  
6 try.

7 "(F) One individual appointed by the  
8 Attorney General who is qualified to represent  
9 the interests of automotive repair industry.

10 "(G) One individual appointed by the  
11 Attorney General who is qualified to represent  
12 the interests of automotive rebuilders industry.

13 "(H) One individual appointed by the  
14 Attorney General who is qualified to represent  
15 the interests of automotive parts suppliers in-  
16 dustry.

17 "(I) One individual appointed by the  
18 Attorney General who is qualified to represent  
19 the interests of the insurance industry.

20 "J One individual appointed by the  
21 Attorney General who is qualified to represent  
22 the interests of consumers.

23 "(4) DUTIES.—The advisory committee estab-  
24 lished under paragraph (2) shall make rec-  
25 ommendations regarding—

1           “(A) the development and implementation  
2           of the National Stolen Auto Part Information  
3           System, and

4           “(B) the development and implementation  
5           of a verification system as required by section  
6           607.

7           “(5) REPORT.—Not later than 6 months after  
8           the date of the enactment of the Anti Car Theft Act  
9           of 1992, the advisory committee established under  
10          paragraph (2) shall submit to the Attorney General,  
11          the Secretary of Transportation, and the Congress a  
12          report containing the committee's rec-  
13          ommendations.”.

14          “(e) Upon request by an insurance carrier, a person  
15          lawfully selling or distributing in interstate commerce pas-  
16          senger motor vehicle parts, or an individual or enterprise  
17          engaged in the business of repairing passenger motor vehi-  
18          cles, the Attorney General, or the entity or entities des-  
19          ignated by the Attorney General, shall immediately pro-  
20          vide such insurance carrier or person with a determination  
21          as to whether the information system under subsection (a)  
22          contains a record of an passenger motor vehicle or an pas-  
23          senger motor vehicle part bearing a particular vehicle  
24          identification number or derivative thereof having been re-  
25          ported stolen. The Attorney General may require such ver-

1 ification as the Attorney General deems appropriate to en-  
2 sure that the request is legitimate and will not compromise  
3 the security of the system.

4       “(f) There are authorized to be appropriated such  
5 sums as may be necessary to carry out this section. The  
6 information system established under subsection (a) shall  
7 be effective as provided in the rules promulgated by the  
8 Attorney General.”.

9       (e) STUDY.—Section 617 of the Motor Vehicle Infor-  
10 mation and Cost Savings Act (as so redesignated) is  
11 amended in subsection (a)(1) by striking “after the date  
12 of the enactment of this title” and in subsection (b)(1)  
13 by striking “after the promulgation of the standard re-  
14 quired by this title” and inserting in each place “after the  
15 date of the enactment of the Anti Car Theft Act of 1992”.

## 16       **TITLE IV—EXPORT OF STOLEN** 17                   **AUTOMOBILES**

### 18       **SEC. 401. RANDOM CUSTOMS INSPECTIONS FOR STOLEN** 19                   **AUTOMOBILES BEING EXPORTED.**

20       Part VI of title IV of the Tariff Act of 1930 is  
21 amended by inserting after section 646 the following new  
22 sections:

1 **"SEC. 646A. RANDOM CUSTOMS INSPECTIONS FOR STOLEN**  
2 **AUTOMOBILES BEING EXPORTED.**

3 "The Commissioner of Customs shall direct customs  
4 officers to conduct at random inspections of automobiles,  
5 and of shipping containers that may contain automobiles  
6 that are being exported, for purposes of determining  
7 whether such automobiles were stolen.

8 **"SEC. 646B. EXPORT REPORTING REQUIREMENT.**

9 "The Commissioner of Customs shall require all per-  
10 sons or entities exporting used automobiles, including  
11 automobiles exported for personal use, by air or ship to  
12 provide to the Customs Service, at least 72 hours before  
13 the export, the vehicle identification number of each such  
14 automobile and proof of ownership of such automobile.  
15 The Commissioner shall establish specific criteria for ran-  
16 domly selecting used automobiles scheduled to be ex-  
17 ported, consistent with the risk of stolen automobiles being  
18 exported and shall check the vehicle identification number  
19 of each automobile selected pursuant to such criteria  
20 against the information in the National Crime Information  
21 Center to determine whether such automobile has been re-  
22 ported stolen. At the request of the Director of the Federal  
23 Bureau of Investigation, the Commissioner shall make  
24 available to the Director all vehicle identification numbers  
25 obtained under this section."



1 SEC. 402. PILOT STUDY AUTHORIZING UTILITY OF NON-  
2 DESTRUCTIVE EXAMINATION SYSTEM.

3 The Secretary of the Treasury, acting through the  
4 Commissioner of Customs, shall conduct a pilot study of  
5 the utility of a nondestructive examination system to be  
6 used for inspection of containers that may contain  
7 automobiles leaving the country for the purpose of deter-  
8 mining whether such automobiles have been stolen.

