FISCAL BRIEF

AUTOMOBILE THEFT PREVENTION AUTHORITY AND FUND

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March 4, 2026

FAST FACTS

- 1992 PA 174 created ATPA as a permanent agency tasked with reducing vehicle theft across the state.
- ATPF revenues come exclusively from assessments paid by automobile insurance providers in the state, which totaled $7.8 million in FY 2024-25.
- Revenue from the fund is distributed as competitive grants to law enforcement agencies, prosecutors' offices, and non-profit organizations.
- In FY 2024-25, ATPA-funded enforcement teams made 1,335 arrests and recovered an estimated $80.9 million in stolen property.

INTRODUCTION

The Automobile Theft Prevention Authority (ATPA) was established by 1992 PA 174 to address and reduce the rate of automobile theft in Michigan. Housed within the Michigan State Police (MSP), ATPA administers the Automobile Theft Prevention Fund (ATPF), which receives revenue exclusively from annual assessments paid by automobile insurance providers. Revenue is distributed from the fund as competitive grants to law enforcement agencies, prosecutor's offices, and non-profit organizations across the state engaged in anti–vehicle theft efforts. This brief provides background on ATPA, as well as details on recent ATPF revenues and expenditures.

OVERVIEW

By the mid-1980s, automobile theft rates in Michigan had risen to among the highest in the United States. To combat this trend, the legislature created ATPA as a temporary program under 1986 PA 10, which was based in part on solutions proposed by the Michigan Anti-Car Theft Campaign Committee that would combine the efforts of law enforcement, communities, and businesses against motor vehicle theft. Following the program's initial success, the legislature overwhelmingly passed 1992 PA 174 to eliminate the original statute's sunset provision and establish ATPA as a permanent agency under the auspices of MSP's Community Grants and Services Division. ATPA has since been the agency primarily responsible for coordinating local and statewide efforts aimed at preventing and reducing automobile theft in Michigan.

ATPA is directed by a seven-member board of directors appointed by the governor and confirmed by the Senate and consisting of two representatives each from automobile insurance purchasers, Michigan insurance companies, and law enforcement agencies, as well as the MSP director. The board meets quarterly at locations around the state and its members serve as liaisons between local, state, and federal agencies on issues related to motor vehicle theft. ATPA also has four staff members housed at the MSP headquarters in Lansing who are responsible for conducting annual financial and performance audits on all automobile theft programs and for providing reports to the board of directors to support long-term planning efforts.

REVENUE STRUCTURE

Chapter 61 of the Insurance Code requires all insurance companies providing motor vehicle insurance coverage in Michigan to pay an annual assessment to ATPA, which then deposits these funds into the ATPF for future grant disbursement and the agency's operational costs. These assessments apply to each non-commercial private passenger vehicle and commercial vehicle insured under Michigan law and are the only revenue stream for the ATPF other than the fund's interest earnings. **Table 1** provides an overview of ATPF revenues for the last five fiscal years for which information is available.

Table 1: Five-Year ATPF Revenue History

Fiscal Year	Assessments	Interest	Refunds	Offsets	Net Revenue
2020-21	6,958,925	6,997	20,117	(7,891)	6,978,148
2021-22	7,590,872	46,267	8,637	(8,229)	7,637,547
2022-23	7,716,943	348,133	3,836	(6,050)	8,062,862
2023-24	7,727,455	442,198	344,965	(9,372)	8,505,246
2024-25	7,815,347	385,959	318	(9,803)	8,191,821

Source: Automobile Theft Prevention Authority

The current ATPA assessment is calculated as $1 per "written car year" for each insured motor vehicle, which is the portion of a year during which a vehicle is insured (as determined by the Michigan Catastrophic Claims Association) and used to calculate premium charges under section 3104 of the code. For example, a single vehicle insured for one written car year would result in the insurer paying a $1 assessment to ATPA, while two vehicles insured for three written car years would result in a $6 assessment.

DISTRIBUTION OF ATPF FUNDS

Pursuant to the agency's governing statute, ATPF funds must first be used to support ATPA's own administrative costs. All remaining funds may then be distributed in the form of competitive grants to law enforcement agencies, prosecutors' offices, and non-profit organizations seeking funding to support vehicle theft prevention projects, subject to the order of priority laid out in APTA's operating plan:

1. **Law enforcement projects:** Programs designed to prevent or reduce the incidence of motor vehicle theft-related crimes, apprehend offenders, and recover stolen vehicles or increase the recovery rate of stolen vehicles through equipment purchases.
2. **Prosecution projects:** Programs designed to prosecute motor vehicle theft-related crimes and increase convictions.
3. **Prevention and educational projects:** Programs designed to train or educate citizens, crime prevention patrols, or neighborhood watch groups regarding motor vehicle prevention tactics; vehicle window etching training.[1]
4. **Training projects:** Training for ATPA-funded positions; general conference expenses.

[1] Also known as "VIN etching," these programs teach vehicle owners how to properly engrave the 17-digit vehicle identification number onto the windows and windshield, thereby reducing the vehicle's potential value in the event it is stolen.

Law enforcement agencies receiving ATPF grants are required to staff their theft teams with officers who work exclusively on vehicle theft initiatives, which reduces the number of officers available to assist in other enforcement areas. Since FY 2020-21, some law enforcement agencies experiencing staffing shortages attributable to the COVID-19 pandemic have reassigned many or all of their auto theft officers, forfeiting their ATPA grant funding. Because ATPF revenues do not lapse to the general fund at the close of the fiscal year, reduced grant funding to agencies from FY 2020-21 to FY 2023-24 resulted in the fund balance growing from $3.1 million to $6.4 million over this period.

To account for both excess funds and projected automobile theft team growth, ATPA increased the total grant disbursements for FY 2023-24 and FY 2024-25 to approximately $3 million and $2.5 million respectively, as well as increasing ATPA's share of funds for law enforcement teams and prosecutors' offices from 50% to 60%. **Table 2** provides an overview of all ATPF expenditures for the last five fiscal years, including grant distributions by recipient type and ATPA administrative costs.

Table 2: Five-Year ATPF Expenditure History

	GRANTS			ATPA	
Fiscal Year	***Law Enforcement***	***Prosecutors***	***Other***	***Administration***	**Total Expenditures**
2020-21	7,083,977	986,315	338,024	502,280	7,735,602
2021-22	5,636,230	918,603	278,652	410,431	5,937,665
2022-23	6,381,875	867,069	351,029	589,254	6,248,978
2023-24	7,765,854	1,154,407	405,950	596,319	8,727,437
2024-25	10,268,371	1,237,785	437,641	454,925	9,807,560

Source: Automobile Theft Prevention Authority. "Other" includes the Michigan Department of State, training organizations, universities, and other non-profit organizations.

Due to the fixed nature of ATPA's revenue structure, the agency requires all public entities (i.e., law enforcement agencies and prosecutors' offices) to provide matching funds for their anti–vehicle theft projects to account for the increasing cost of ATPA-funded programs over time. Non-profit applicants, such as 501(c)(3) organizations, are exempt from fund matching requirements. Originally set at 12.5%, this match amount has been increased by ATPA several times since 1993, with the most recent increase from 50% to 60% occurring in FY 2023-24. Matching funds are reimbursed to grantees on a quarterly basis, subject to ATPA's review of financial and progress reports submitted by the funding recipients. ATPA reserves the right to make all final decisions regarding the awarding and reimbursing of funds, including whether to approve subsequent applications to continue a grant beyond its initial one-year period.

On average, between 75% and 80% of approved grant funds requested by vehicle theft teams and prosecutors' offices are used for employee salaries and fringe benefits, while the remainder is typically used to cover equipment and training costs. Funding breakdowns are similar for non-profit grant recipients, with the exception that a portion of these grants is usually used to support marketing costs for vehicle theft initiatives.

Appendix A provides information on FY 2024-25 grant performance by each type of grant recipient.

APPENDIX A: FY 2024-25 GRANT PERFORMANCE BY RECIPIENT TYPE

Table A1: Grant Performance – Law Enforcement

Agency or Group	Grant Amount	Total Value Recovered	Recovered Vehicles (Passenger)	Recovered Vehicles (Other)	Parts Incidents	Arrests (MVT)	Arrests (Fraud)
Combined Auto Theft Team (CATT) Grant Rapids Police Department* Kentwood Police Department Wyoming Police Department	$663,378	$3,081,000	167	5	1	116	–
Detroit Fire Department - Arson Section	156,027	2,091,400	78	–	–	23	7
Genesee Auto Theft Investigation Network (GAIN) Burton Police Department Flint Township Police Department Flint City Police Department Flushing Police Department Genesee County Sheriff's Office* Metro Police Authority	1,095,167	9,474,818	332	36	5	181	–
Macomb Auto Theft Squad (MATS) Centerline Department of Public Safety Chesterfield Township Police Department Clinton Township Police Department Macomb County Sheriff's Office* Roseville Police Department Sterling Heights Police Department	923,452	10,727,125	482	59	1	130	19
Metro Detroit Auto Recovery Team (MDART) Michigan Department of State Michigan State Police* Troy Police Department	970,774	2,422,190	54	8	6	29	4

(Table continued on next page.)

Table A1: Grant Performance – Law Enforcement

Agency or Group	Grant Amount	Total Value Recovered	Recovered Vehicles (Passenger)	Recovered Vehicles (Other)	Parts Incidents	Arrests (MVT)	Arrests (Fraud)
Oakland County Auto Theft Unit (OCAT) Detroit Police Department Farmington Hills Police Department Hazel Park Police Department Oakland County Sheriff's Office* Oakland County Sheriff's Office – Pontiac Southfield Police Department Waterford Police Department	1,725,120	19,	904,650641	109	13	378	–
Operation Auto Recovery Team Ingham County (ARTIC) Lansing Police Department*	146,423	4,050,449	335	56	–	97	–
Preventing Auto Theft (PAT) Dearborn Police Department Detroit Police Department* Oakland County Sheriff's Office Wayne State University Police Department	2,385,535	14,816,393	515	3	12	219	–
Southwest Commercial Auto Recovery (SCAR) Kalamazoo Township Police Department Michigan State Police*	892,801	2,848,971	64	50	3	21	7
Southeastern Michigan Auto Crimes Consortium (SMACC) Dearborn Police Department* Dearborn Heights Police Department Detroit Police Department Garden City Police Department Livonia Police Department Michigan State Police	1,309,694	11,465,082	220	7	184	104	–
TOTAL	**$10,268,371**	**$80,882,078**	**2,888**	**333**	**225**	**1,298**	**37**

* Indicates lead agency.

Source: Automobile Theft Prevention Authority

Table A2: Grant Performance – Prosecutor's Offices							
Office Name	**Grant Amount**	**Motor Vehicle Theft Cases**	**Exams Held**	**Exams Waived**	**Pre-Trial Guilty Pleas**	**Trials**	**Convictions**
Genesee County Prosecutor's Office	$133,417	173	8	67	56	–	–
Macomb County Prosecutor's Office	202,680	175	13	84	76	–	–
Wayne County Prosecutor's Office	901,688	771	60	196	171	3	1
TOTAL	**$1,237,785**	**1,119**	**81**	**347**	**303**	**3**	**1**

Source: Automobile Theft Prevention Authority

Table A3: Grant Performance – Other Recipients								
Name	**Grant Amount**	**Vehicles Etched**	**Training Meetings**	**Title History**	**Technical Assistance**	**Training Sessions**	**Officers Trained**	**Anti-Theft Devices**
Michigan Auto Vehicle Theft Investigators	$79,900	–	–	–	–	39	1,000	–
Michigan Department of State	124,691	–	–	1,697	–	–	–	–
Wayne State University	113,175	2	99	–	–	–	–	1,477
West Grant Neighborhood Organization	119,875	200	36	–	–	–	–	155
TOTAL	**$437,641**	**202**	**135**	**1,697**	–	**39**	**1,000**	**1,632**

Source: Automobile Theft Prevention Authority