§ 846-m. Plan of operation and grant award process. 1. In accordance with the legislative intent of this article, the board shall develop and recommend to the commissioner a plan of operation which shall provide for a coordinated approach to curtailing motor vehicle theft and motor vehicle insurance fraud throughout the state. The plan shall provide an integrated means to detect, prevent, deter and reduce motor vehicle theft and motor vehicle insurance fraud by providing funds, upon the recommendation of the board and approved by the commissioner, to meet these objectives. The plan of operation shall include but not be limited to: an assessment of the scope of the problem of motor vehicle theft and motor vehicle insurance fraud, including a regional analysis of the incidence of motor vehicle theft and motor vehicle insurance fraud and related activities; an analysis of various methods of combating the problem; and the development of a request for proposals process, consistent with the plan, for applications from provider agencies to receive grants from the fund.

2. (a) The moneys received by the fund shall be expended in a manner that is consistent with the plan of operation, pursuant to appropriation, only to reimburse costs incurred by provider agencies for pilot program activities relating to the detection, prevention or reduction of motor vehicle theft and motor vehicle insurance fraud.

(b) Activities eligible for funding include, but are not limited to, the following: prosecution and adjudication services; law enforcement services; neighborhood or community based programs designed to reduce the incidence of motor vehicle theft and motor vehicle insurance fraud; educational programs designed to inform owners of motor vehicles concerning activities designed to prevent the incidence of theft of motor vehicles and fraudulent claims practices; and programs designed to examine, evaluate and make recommendations relating to the efficacy of motor vehicle theft prevention devices or methods including, but not limited to, passive tracking devices designed to identify the location of a motor vehicle at any given point in time and window glass etching with vehicle identification numbers or any other unique identifying symbol including decal programs such as New York city's operation combat auto theft (C.A.T.). Funds provided under this program shall be used to augment, and not to supplant, the provider agency's current funding, if

any, for motor vehicle theft and insurance fraud detection, prevention, or reduction activities.

(c) In allocating the moneys for the program, the commissioner, upon recommendation of the board, shall, to the greatest extent possible, take into account the geographic incidence of motor vehicle theft and insurance fraud, whereby localities with the greatest incidence of motor vehicle theft and insurance fraud shall be targeted for the purposes of this program.

(d) The state comptroller shall conduct an audit of all moneys received and expended by the fund as well as all other funds expended from any other source for the purposes of this program, and shall submit a written report detailing such audit to the governor and legislature on or before March first of each year.