

ASSEMBLY, No. 2635

STATE OF NEW JERSEY

INTRODUCED JANUARY 9, 1997

By Assemblymen LeFEVRE and BLEE

1 AN ACT concerning motor vehicle liability insurance and amending  
2 P.L.1964, c.172, P.L.1975, c.268 and P.L.1972, c.197.

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4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

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7 1. Section 1 of P.L.1964, c.172 (C.39:3-38.1) is amended to read  
8 as follows:

9 1. Any person who:

10 a. Keeps in his possession or conceals any falsely made, forged,  
11 altered or counterfeited certificate of registration, [or] driver's license  
12 or insurance identification card, knowing the same to be falsely made,  
13 altered, forged or counterfeited with the intent to use the same  
14 unlawfully; or

15 b. Exhibits to a police officer or judge in accordance with  
16 R.S.39:3-29 any falsely made, altered, forged or counterfeited motor  
17 vehicle certificate of registration, [or] driver's license or insurance  
18 identification card, knowing the same to be falsely made, altered,  
19 forged or counterfeited; or

20 c. Exhibits to any person, for purposes of identification, any falsely  
21 made, altered, forged or counterfeited motor vehicle certificate of  
22 registration or driver's license, knowing the same to be falsely made,  
23 altered, forged or counterfeited, and representing the same as a  
24 certificate or license lawfully issued to him by the Director of Motor  
25 Vehicles, is guilty of a disorderly persons offense.

26 d. A person who knowingly produces, sells, offers or exposes for  
27 sale a document, printed form or other writing which simulates an  
28 insurance identification card is guilty of a disorderly persons offense.  
29 (cf: P.L.1983, c.403, s.11)

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31 2. Section 2 of P.L.1972, c.197 (C.39:6B-2) is amended to read as  
32 follows:

33 2. Any owner or registrant of a motor vehicle registered or  
34 principally garaged in this State who operates or causes to be operated

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1 a motor vehicle upon any public road or highway in this State without  
2 motor vehicle liability insurance coverage required by this act, and any  
3 operator who operates or causes a motor vehicle to be operated and  
4 who knows or should know from the attendant circumstances that the  
5 motor vehicle is without motor vehicle liability insurance coverage  
6 required by this act shall be subject, for the first offense, to a fine of  
7 ~~[\$300.00]~~ \$500 and a period of community service to be determined  
8 by the court, and shall forthwith forfeit his right to operate a motor  
9 vehicle over the highways of this State for a period of one year from  
10 the date of conviction. Upon subsequent conviction, he shall be  
11 subject to a fine of ~~[\$500.00]~~ \$1,000 and shall be subject to  
12 imprisonment for a term of 14 days and shall be ordered by the court  
13 to perform community service for a period of 30 days, which shall be  
14 of such form and on such terms as the court shall deem appropriate  
15 under the circumstances, and shall forfeit his right to operate a motor  
16 vehicle for a period of two years from the date of his conviction, and,  
17 after the expiration of said period, he may make application to the  
18 Director of the Division of Motor Vehicles for a license to operate a  
19 motor vehicle, which application may be granted at the discretion of  
20 the director. The director's discretion shall be based upon an  
21 assessment of the likelihood that the individual will operate or cause  
22 a motor vehicle to be operated in the future without the insurance  
23 coverage required by this act. A complaint for violation of this act  
24 may be made to a municipal court at any time within six months after  
25 the date of the alleged offense.

26 Failure to produce at the time of trial an insurance identification  
27 card or an insurance policy which was in force for the time of  
28 operation for which the offense is charged, creates a rebuttable  
29 presumption that the person was uninsured when charged with a  
30 violation of this section.

31 [Notwithstanding any provision of P.L.1972, c.197 (C.39:6B-1 et  
32 seq.), any person who violates the provisions of that act, from October  
33 1, 1990 through January 31, 1991, shall not be subject to any of the  
34 penalties or sanctions provided for a first violation of that act if that  
35 person produces at the time of trial an insurance identification card or  
36 a motor vehicle liability insurance policy which is in force at the time  
37 of the trial and the conviction for that person's offense would be the  
38 person's first conviction for an offense under that act. The  
39 Commissioner of Insurance shall appropriately promote and advertise  
40 this limited time amnesty program for first-time offenses under that act  
41 throughout the State.]

42 (cf: P.L.1990, c.8, s.49)

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44 3. This act shall take effect on the first day of the third month  
45 following enactment.

## STATEMENT

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This bill addresses the growing use of phony insurance identification cards by persons without the required motor vehicle liability insurance coverage. The cards are sold on the street for between \$50 and \$600. They are used to obtain other required motor vehicle documents and presented to police officers during routine traffic stops. This practice undermines the State's insurance laws and permits uninsured motorists to drive with impunity.

The bill would make it a disorderly persons offense to knowingly possess an insurance identification card that is false, forged, altered or counterfeited with the intent to use it unlawfully or to exhibit one of these cards to a police officer or judge. The bill would also make it a disorderly persons offense to produce, sell, offer or expose for sale a document, printed form or other writing which simulates an insurance identification card. A disorderly persons offense is punishable by a fine of up to \$1,000, a term of imprisonment of up to six months, or both.

The bill also increases the fines imposed for the offense of operating a motor vehicle without the mandatory liability insurance coverage. The fine for a first offense would increase from the current \$300 to \$500. The fine for a subsequent offense would increase from the current \$500 to \$1,000.

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Criminalizes possession, sale of phony auto insurance identification cards.