

[First Reprint]
SENATE, No. 2047

STATE OF NEW JERSEY

INTRODUCED MAY 8, 1997

By Senators **CARDINALE, LITTELL, Kyrillos, Ciesla, Kosco, Palaia, Cafiero, Ewing, Bubba, Bryant, Casey, Lesniak, Girgenti, Lipman, LaRossa, Inverso, Connors, Bark, Gormley, Singer, Zane, O'Connor, Sacco, Lynch and McGreevey**

1 AN ACT concerning uninsured motorists, amending P.L.1983, c.141,
2 supplementing Title 39 of the Revised Statutes, and repealing
3 section 50 of P.L.1990, c.8.

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

7
8 1. (New section) Sections 1 through 6 of this act shall be known
9 and may be cited as the "Uninsured Motorist Identification Database
10 Program Act."

11
12 2. (New section) As used in sections 2 through 6 of this act:
13 "Fund" means the Uninsured Motorist Prevention Fund established
14 in section 2 of P.L.1983, c.141 (C.39:6B-3).

15 "Database" means the Uninsured Motorist Identification Database
16 established pursuant to section 3 of this act.

17 "Division of Motor Vehicles" or "Division" means the Division of
18 Motor Vehicles in the Department of Transportation.

19
20 3. (New section) a. There is created in the division the Uninsured
21 Motorist Database Program to establish an Uninsured Motorist
22 Identification Database to verify compliance of owners and registrants
23 of motor vehicles with the motor vehicle liability insurance
24 requirements of section 1 of P.L.1972, c.197 (C.39:6B-1).

25 b. The division shall develop and maintain a computer database
26 containing the following:

27 (1) information supplied by insurers pursuant to section 4 of this
28 act;

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate SCM committee amendments adopted May 8, 1997.

1 (2) the name, date of birth, address and driver's license number of
2 all persons with current driver's licenses in this State; and

3 (3) all current motor vehicle registrations.

4 c. The division shall, at least monthly:

5 (1) update the database with the motor vehicle insurance
6 information provided by the insurers in accordance with section 4 of
7 this act; and

8 (2) compare all current motor vehicle registrations against the
9 database.

10 d. The database shall be developed and maintained so that State
11 and local law enforcement agencies can efficiently access the database.

12

13 4. (New section) a. (1) Each insurer that issues a policy that
14 includes motor vehicle liability coverage shall, before the seventh day
15 of each calendar month, provide to the division a record of each motor
16 vehicle insurance policy in effect as of the previous month that was
17 issued by the insurer.

18 (2) This subsection does not preclude more frequent reporting.

19 b. The record shall include:

20 (1) the name, year, and driver's license number of each insured
21 owner or operator, and the address of the named insured;

22 (2) the make, year and vehicle identification number of each
23 insured vehicle; and

24 (3) the policy number, effective date and expiration date of each
25 policy.

26 c. Each insurer shall provide this information on magnetic tape or
27 in another form the division agrees to accept.

28 d. ¹The information to be filed pursuant to this section shall be
29 confidential and proprietary and shall not be a public record subject to
30 disclosure pursuant to section 2 of P.L.1963, c.73 (C.47:1A-2). The
31 division shall establish security procedures to protect the
32 confidentiality of the information provided pursuant to this section.

33 e.¹ The division shall fine an insurer \$250 for each day during the
34 first 10 days that the insurer fails to comply with the provisions of this
35 section and \$2,500 for each day thereafter that such failure continues.
36 If an insurer shows that the failure to comply with the provisions of
37 this section was inadvertent, accidental or the result of excusable
38 neglect, the division shall excuse the fine.

39

40 5. (New section) a. If the comparison under section 3 of this act
41 shows that a motor vehicle is registered but not insured, the division
42 shall notify the owner of the motor vehicle that the owner has 30 days
43 to provide:

44 (1) proof of meeting the requirements of section 1 of P.L.1972,
45 c.197 (C.39:6B-1) with a policy that is fully paid for at least six
46 months; or

1 (2) proof of exemption from the requirements of section 1 of
2 P.L.1972, c.197 (C.39:6B-1).

3 b. If the owner of a motor vehicle fails to provide satisfactory
4 proof of compliance pursuant to subsection a. of this section within the
5 time allowed, the division shall impound the uninsured motor vehicle.

6 c. (1) If, within 45 days of the impoundment of the motor vehicle,
7 proof of compliance with, or exemption from, the provisions of section
8 1 of P.L.1972, c.197 (C.39:6B-1) is not presented, and all outstanding
9 warrants against the vehicle, the reasonable costs of removal and
10 storage of the motor vehicle, and a \$500 administrative fee for the
11 division are not paid, the motor vehicle shall be sold by the division at
12 public auction. The division shall give notice of the sale by certified
13 mail to the owner and to the holder of any security interest filed with
14 the division, and by publication in a form to be prescribed by the
15 director by one insertion, at least five days before the date of the sale,
16 in one or more newspapers published in this State and circulating in
17 the municipality and county from which the motor vehicle was
18 impounded.

19 (2) At any time prior to the sale, the owner of the motor vehicle or
20 other person entitled to the motor vehicle may reclaim possession of
21 the motor vehicle by presenting proof of compliance with, or
22 exemption from, the requirements of section 1 of P.L.1972, c.197
23 (C.39:6B-1) and upon payment of all outstanding warrants against the
24 vehicle, the reasonable costs of removal and storage of the motor
25 vehicle, and a \$500 administrative fee for the division. Prior to the
26 sale of the motor vehicle, title to the impounded motor vehicle shall
27 vest in the division.

28 (3) Any proceeds obtained from the sale of a vehicle at public
29 auction pursuant to paragraph (2) of this subsection in excess of the
30 amount owed to the lien holder and the division for the payment of all
31 outstanding warrants on the vehicle, the reasonable costs of removal
32 and storage of the motor vehicle, and a \$500 administrative fee for the
33 division, shall be deposited in the fund.

34
35 6. (New section) At the time application is made for registration
36 or renewal of registration of a motor vehicle pursuant to Article 2 of
37 chapter 3 of Title 39 of the Revised Statutes, the division shall impose
38 and collect an uninsured motorist identification fee of \$1 on each
39 motor vehicle. The revenue generated shall be deposited in the fund.

40
41 7. Section 2 of P.L.1983, c.141 (C.39:6B-3) is amended to read as
42 follows:

43 2. The Uninsured Motorist Prevention Fund (hereinafter referred
44 to as the "fund") is established as a nonlapsing, revolving fund into
45 which shall be deposited; all revenues from the fines imposed pursuant
46 to section 2 of P.L.1972, c.197 (C.39:6B-2); administrative fees and

1 excess proceeds from the sale of motor vehicles pursuant to subsection
2 c. of section 5 of P.L. , c. (C.)(now before the Legislature
3 as this bill); and uninsured motorist identification fees imposed and
4 collected pursuant to section 6 of P.L. , c. (C.)(now before
5 the Legislature as this bill). Interest received on moneys in the fund
6 shall be credited to the fund. The fund shall be administered by the
7 Division of Motor Vehicles in the Department of [Law and Public
8 Safety] Transportation. Moneys in the fund shall be allocated and
9 used for the purpose of the administrative expenses of the fund [and];
10 enforcement of the compulsory motor vehicle insurance law, P.L.1972,
11 c.197 (C.39:6B-1 et seq.) by the Division of Motor Vehicles; and the
12 implementation of the Uninsured Motorist Identification Database
13 Program created pursuant to P.L. , c. (C.)(now before the
14 Legislature as this bill).

15 (cf: P.L.1983, c.141, s.2)

16

17 8. Section 50 of P.L.1990, c.8 (C.17:33B-41) is repealed.

18

19 9. This act shall take effect on the 360th day following enactment,
20 except that sections 6 and 7 shall take effect immediately.

21

22

23

24

25 "Uninsured Motorist Identification Database Program Act."