

17: 23-8 to 17: 23-15

LEGISLATIVE HISTORY CHECKLIST

NJSA: 17:23-8 to 17:23-15

(Motor vehicle theft -- requires insurers to disclose information to government agencies)

LAWS OF: 1983

CHAPTER: 214

Bill No: S1440

Sponsor(s): DiFrancesco and Orechio

Date Introduced: May 24, 1982

Committee: Assembly: Judiciary, Law, Public Safety & Defense

Senate: Labor, Industry & Professions

Amended during passage: Yes // Amendments during passage denoted by asterisks

Date of Passage: Assembly: April 25, 1983

Senate: July 12, 1982

Date of Approval: June 15, 1983

Following statements are attached if available:

Sponsor statement: Yes //

Committee statement: Assembly /// No

Senate Yes //

Fiscal Note: /// No

Veto Message: /// No

Message on Signing: /// No

Following were printed:

Reports: /// No

Hearings: /// No

6-15-83

[OFFICIAL COPY REPRINT]

## SENATE, No. 1440

## STATE OF NEW JERSEY

INTRODUCED MAY 24, 1982

By Senators DiFRANCESCO and ORECHIO

Referred to Committee on Labor, Industry and Professions

AN ACT concerning information provided by insurers relating to  
motor vehicle theft or motor vehicle insurance fraud.

1 BE IT ENACTED *by the Senate and General Assembly of the State*  
2 *of New Jersey:*

1 1. This act shall be known and may be cited as the "Motor Vehicle  
2 Theft and Motor Vehicle Insurance Fraud Reporting—Immunity  
3 Act."

1 2. As used in this act:

2 a. "Authorized governmental agency" means \*[(1) the Division  
3 of State Police in the Department of Law and Public Safety, a police  
4 department of a county or municipality, or any duly constituted  
5 criminal investigative department or agency of the United States;  
6 (2) the Attorney General or any prosecuting officer of this State,  
7 or of the United States or any district thereof; (3) the Department  
8 of Insurance or the Division of Motor Vehicles in the Department  
9 of Law and Public Safety]\* *the Department of Insurance, any*  
9A *law enforcement agency, or any agency or instrumentality of the*  
9B *State, county or municipality or of the Federal Government which*  
9C *is charged with the responsibility of investigating motor vehicle*  
9D *theft or motor vehicle insurance fraud\*.*

10 b. "Information deemed important" means information requested  
11 by an authorized governmental agency.

12 c. "Insurer" means any insurance company writing insurance  
13 for motor vehicles or otherwise liable for any loss due to motor  
14 vehicle theft or motor vehicle insurance fraud in this State.

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

**Matter printed in italics thus is new matter.**

**Matter enclosed in asterisks or stars has been adopted as follows:**

**\*—Senate committee amendments adopted June 28, 1982.**

15 d. "Relevant" means having a tendency to make the existence of  
 16 any fact that is of consequence to any investigation or determina-  
 17 tion of an issue more probable or less probable than it would be  
 18 without the information.

1 2. Upon written request by an authorized governmental agency,  
 2 an insurer or its authorized agent shall release to the requesting  
 3 authorized governmental agency relevant information deemed  
 4 important to the authorized governmental agency which the in-  
 5 surer may possess relating to a motor vehicle theft or motor vehicle  
 6 insurance fraud. Relevant information may include, but is not  
 7 limited to:

8 a. Insurance policy information relevant to the motor vehicle  
 9 theft or motor vehicle insurance fraud under investigation, includ-  
 10 ing any application for the policy;

11 b. Policy premium payment records which are available;

12 c. History of previous claims made by the insured;

13 d. Information relating to the investigation of the motor vehicle  
 14 theft or motor vehicle insurance fraud, including statements of  
 15 any person, proofs of loss and notice of loss.

1 3. a. When an insurer knows or has reason to know the identity  
 2 of a person whom it has reason to believe committed a criminal or  
 3 fraudulent act relating to a motor vehicle theft or motor vehicle  
 4 insurance claim or has knowledge of such a criminal or fraudulent  
 5 act which is reasonably believed not to have been reported to an  
 6 authorized governmental agency, the insurer or its authorized agent  
 7 shall notify an authorized governmental agency of such knowledge  
 8 or reasonable belief and provide any additional information in  
 9 accordance with section 2.

10 b. When an insurer provides an authorized governmental agency  
 11 with notice pursuant to this section, it shall be deemed sufficient  
 12 notice to all authorized governmental agencies for the purpose of  
 13 this act.

14 c. Nothing in this section shall abrogate or impair the rights  
 15 or powers created under section 2.

1 4. An authorized governmental agency provided with information  
 2 pursuant to section 2 or 3 of this act may release or provide that  
 3 information to any other authorized governmental agency.

1 5. An insurer providing information to an authorized govern-  
 2 mental agency pursuant to section 2 or 3 of this act shall\*, *with*  
 3 *respect to a civil action,\** have the right to request relevant infor-  
 4 mation from the authorized governmental agency, and receive  
 5 within a reasonable time, not to exceed 30 days, the information  
 6 requested\*, *provided that the information is not otherwise privi-*  
 7 *ledged by law\*.*

1 6. Information furnished pursuant to this act shall be privileged  
2 and not a part of any public record. Except as may be required  
3 by law other than P. L. 1963, c. 73 (C. 47:1A-1 et seq.), an author-  
4 ized governmental agency or insurer or its authorized agent, which  
5 receives any information furnished pursuant to this act, shall not  
6 release that information to public inspection. The information  
7 shall not be subject to subpoena duces tecum in a civil or criminal  
8 proceeding unless, after reasonable notice to the insurer or its  
9 authorized agent and the authorized governmental agency which  
10 has an interest in the information and a hearing, the court deter-  
11 mines that the public interest and an ongoing investigation by the  
12 authorized governmental agency, insurer or its authorized agent  
13 will not be jeopardized by obedience of the subpoena.

1 7. No insurer or its authorized agent, authorized governmental  
2 agency or their respective employees shall be subject to any civil  
3 \***or criminal**\* liability in a cause of action of any kind for  
4 releasing or receiving any information pursuant to sections 2, 3, 4,  
5 5 or 6 of this act. Nothing herein abrogates or lessens the common  
6 and statutory law privileges and immunities of an insurer or its  
7 authorized agent or an authorized governmental agency of any of  
8 their respective employees.

1 8. This act shall take effect immediately.

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6 release that information to public inspection. The information  
7 shall not be subject to subpoena duces tecum in a civil or criminal  
8 proceeding unless, after reasonable notice to the insurer or its  
9 authorized agent and the authorized governmental agency which  
10 has an interest in the information and a hearing, the court deter-  
11 mines that the public interest and an ongoing investigation by the  
12 authorized governmental agency, insurer or its authorized agent  
13 will not be jeopardized by obedience of the subpoena.

1 7. No insurer or its authorized agent, authorized governmental  
2 agency or their respective employees shall be subject to any civil  
3 or criminal liability in a cause of action of any kind for releasing  
4 or receiving any information pursuant to sections 2, 3, 4, 5 or 6  
5 of this act. Nothing herein abrogates or lessens the common and  
6 statutory law privileges and immunities of an insurer or its author-  
7 ized agent or an authorized governmental agency of any of their  
8 respective employees.

1 8. This act shall take effect immediately.

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#### STATEMENT

This bill requires insurers to disclose certain information about motor vehicle thefts or frauds to authorized governmental agencies for purposes of investigation. In return, insurers and their authorized agents would receive immunity from potential suits or actions based on the disclosure of that information.

51440 (1983)

**SENATE LABOR, INDUSTRY AND  
PROFESSIONS COMMITTEE**

STATEMENT TO

**SENATE, No. 1440**

with Senate committee amendment

**STATE OF NEW JERSEY**

DATED: JUNE 28, 1982

This bill mandates that an insurer or its authorized agents disclose, upon written request, relevant information about motor vehicle thefts or motor vehicle insurance frauds to authorized governmental agencies for purposes of investigation (section 2). In return, an insurer and any agent authorized by an insurer to act on its behalf would receive immunity from potential suits arising out of the information transfer (section 7).

The bill also requires that an insurer or its authorized agent must notify an authorized governmental agency if he knows the identity of a person whom he has reason to believe committed a criminal or fraudulent act relating to a motor vehicle theft or motor vehicle insurance claim or has knowledge of such a criminal or fraudulent act which is reasonably believed not to have been reported to any authorized governmental agency (section 3).

An insurer providing information to an authorized governmental agency would, with respect to a civil action, have the right to request and receive relevant information about motor vehicle thefts or motor vehicle insurance frauds from such agency, provided that the information is not otherwise privileged by law (section 5).

Any information furnished pursuant to the provisions of the bill would be privileged and not part of any public record (section 6).

Insurance companies, their authorized agents and authorized governmental agencies would be protected from tort liability when they release or exchange information related to motor vehicle thefts or motor vehicle insurance frauds.

This legislation seeks immunity from tort liability for invasion of privacy, libel, or slander for insurers, their agents and government agencies which provide information concerning a motor vehicle theft or motor vehicle insurance fraud. The fear of such suits severely hampers the furnishing or exchange of such information.