

ASSEMBLY, No. 364

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman SEAN T. KEAN

District 30 (Monmouth and Ocean)

SYNOPSIS

Allows law enforcement officer to immediately impound motor vehicle operated by uninsured driver.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** concerning motor vehicle liability insurance and amending
2 P.L.1972, c.197.

3

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

6

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

9 2. a. An owner or registrant of a motor vehicle registered or
10 principally garaged in this State who operates or causes to be
11 operated a motor vehicle upon any public road or highway in this
12 State without motor vehicle liability insurance coverage required by
13 P.L.1972, c.197 (C.39:6B-1 et seq.), and an operator who operates
14 or causes a motor vehicle to be operated and who knows or should
15 know from the attendant circumstances that the motor vehicle is
16 without motor vehicle liability insurance coverage required by
17 P.L.1972, c.197 (C.39:6B-1 et seq.) shall be subject, for the first
18 offense, to a fine of not less than \$300 nor more than \$1,000 and a
19 period of community service to be determined by the court. The
20 court also shall suspend the person's right to operate a motor vehicle
21 over the highways of this State for a period of one year from the
22 date of conviction; provided, however, the period of license
23 suspension may be reduced or eliminated if the person provides the
24 court with satisfactory proof of motor vehicle liability insurance at
25 the time of the hearing. Upon subsequent conviction, the person
26 shall be subject to a fine of up to \$5,000 and shall be subject to
27 imprisonment for a term of 14 days and shall be ordered by the
28 court to perform community service for a period of 30 days, which
29 shall be of a form and on terms as the court shall deem appropriate
30 under the circumstances, and shall forfeit the person's right to
31 operate a motor vehicle for a period of two years from the date of
32 the conviction, and, after the expiration of the forfeiture, the person
33 may make application to the Chief Administrator of the New Jersey
34 Motor Vehicle Commission for a license to operate a motor vehicle,
35 which application may be granted at the discretion of the chief
36 administrator. The chief administrator's discretion shall be based
37 upon an assessment of the likelihood that the individual will operate
38 or cause a motor vehicle to be operated in the future without the
39 insurance coverage required by this act. A complaint for violation
40 of this act may be made to a municipal court at any time within six
41 months after the date of the alleged offense.

42 Failure to produce at the time of trial an insurance identification
43 card or an insurance policy which was in force for the time of
44 operation for which the offense is charged creates a rebuttable
45 presumption that the person was uninsured when charged with a

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 underlined thus is new matter.

1 violation of this section.

2 b. A law enforcement officer conducting a motor vehicle stop
3 may, in the officer's discretion, immediately impound a motor
4 vehicle registered or principally garaged in this State if the officer
5 determines that the motor vehicle is operated upon any public road
6 or highway in this State without motor vehicle liability insurance
7 coverage required by P.L.1972, c.197 (C.39:6B-1 et seq.). A motor
8 vehicle impounded pursuant to the provisions of this subsection
9 shall be removed to a storage space or garage. The registrant of the
10 motor vehicle shall be responsible for the cost of the removal and
11 storage of the impounded vehicle.

12 A registrant who violates this section may claim the impounded
13 motor vehicle by providing to the issuing law enforcement agency
14 an insurance identification card or other satisfactory proof of
15 insurance. If the registrant fails to claim a motor vehicle
16 impounded pursuant to this subsection and pay the reasonable costs
17 of removal and storage by midnight of the 30th day following
18 impoundment, along with a fine of \$100 to cover the administrative
19 costs of the municipality in which the violation occurred, and after a
20 hearing, the municipality may sell the motor vehicle at public
21 auction. The municipality shall give notice of the sale by certified
22 mail to the registrant of the motor vehicle and to the holder of any
23 security interest filed with the New Jersey Motor Vehicle
24 Commission, and by publication in a form to be prescribed by the
25 chief administrator by one insertion, at least five days before the
26 date of the sale, in one or more newspapers published in this State
27 and circulating in the municipality in which the motor vehicle has
28 been impounded.

29 At any time prior to the sale, the registrant or other person
30 entitled to the motor vehicle may reclaim possession of it upon
31 providing satisfactory proof of motor vehicle liability insurance
32 coverage and payment of the reasonable costs of removal and
33 storage of the motor vehicle and any outstanding fines or penalties;
34 provided, however, if the other person entitled to the motor vehicle
35 is a lessor or the holder of a lien on the motor vehicle, the person
36 may reclaim the motor vehicle without payment. In these cases, the
37 registrant shall be liable for all outstanding costs, fines, and
38 penalties, and the municipality shall have a lien against the property
39 and income of that registrant for the total amount of those
40 outstanding costs, fines, and penalties.

41 Any proceeds obtained from the sale of a motor vehicle at public
42 auction pursuant to this subsection in excess of the amount owed to
43 the municipality for the reasonable costs of removal and storage of
44 the motor vehicle and any outstanding fines or penalties shall be
45 returned to the registrant of the vehicle.

46 (cf: P.L.2013, c.237, s.1)

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48 2. This act shall take effect immediately.

STATEMENT

This bill allows a law enforcement officer conducting a motor vehicle stop to immediately impound a motor vehicle if the officer determines that the motor vehicle is being operated without liability insurance. A motor vehicle registrant may claim the impounded motor vehicle by providing to the issuing law enforcement agency an insurance identification card or other satisfactory proof of insurance.

Under current law, a motor vehicle may be impounded within 24 hours if the operator fails to display proof of insurance to the law enforcement officer. This bill provides that an officer also may immediately impound a vehicle if the officer determines that the operator does not have liability insurance.

The bill allows the motor vehicle registrant to claim the impounded motor vehicle by providing to the issuing law enforcement agency an insurance identification card or other satisfactory proof of insurance. If the registrant fails to claim the impounded motor vehicle and pay the reasonable costs of removal and storage by midnight of the 30th day following impoundment, along with a fine of \$100 to cover the administrative costs of the municipality in which the violation occurred, and after a hearing, the municipality may sell the motor vehicle at public auction. The municipality is to give notice to the registrant of the motor vehicle by certified mail and by publication at least five days before the date of the sale, in one or more newspapers published in this State and circulating in the municipality in which the motor vehicle has been impounded. At any time prior to the sale, the registrant or other person entitled to the motor vehicle may reclaim possession of it upon providing satisfactory proof of motor vehicle liability insurance coverage and payment of the reasonable storage costs and any outstanding fines or penalties. The bill requires proceeds obtained from the sale of a motor vehicle in excess of the amount owed to the municipality to be returned to the registrant of the vehicle.