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2011-2012 Regular Sessions

I N   S E N A T E

June 10, 2011

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Introduced by Sens. KLEIN, LARKIN -- read twice and ordered printed, and  
when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law and the vehicle and traffic law, in  
relation to insurance fraud

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-  
BLY, DO ENACT AS FOLLOWS:

1     Section 1. Section 401 of the insurance law is amended by adding a new  
2     subsection (d) to read as follows:  
3     (D) THE SUPERINTENDENT SHALL HAVE BROAD AUTHORITY PURSUANT TO THIS  
4     CHAPTER TO INVESTIGATE FRAUDULENT ACTIVITIES WITH REGARD TO MOTOR VEHI-  
5     CLE DRIVERS THAT OPERATE AUTOMOBILES WITH NO INSURANCE COVERAGE, AND  
6     MOTOR VEHICLE INSUREDS WHO MISREPRESENT THE PRINCIPAL PLACE WHERE  
7     INSURED MOTOR VEHICLES ARE GARAGED AND OPERATED. OPERATING MOTOR VEHI-  
8     CLES WITHOUT PROPER INSURANCE IN VIOLATION OF ARTICLE SIX OF THE VEHICLE  
9     AND TRAFFIC LAW IS A SIGNIFICANT DANGER TO THE PUBLIC BECAUSE DRIVERS  
10    ARE UNABLE TO COMPENSATE INDIVIDUALS FOR PERSONAL INJURIES, DEATH AND  
11    PROPERTY DAMAGE THEY INFLICT UPON OTHERS. FURTHERMORE, MOTOR VEHICLE  
12    INSUREDS WHO MISREPRESENT THE PRINCIPAL PLACE WHERE SUCH VEHICLES ARE  
13    GARAGED AND OPERATED IMPROPERLY SHIFT THEIR HIGH LIABILITY EXPOSURE  
14    COSTS TO OTHER MOTOR VEHICLE INSUREDS THAT DO NOT FACE SUCH HIGH LIABIL-  
15    ITY RISK AND INSURANCE PREMIUM COSTS.  
16    S 2. The vehicle and traffic law is amended by adding a new section  
17    201-a to read as follows:  
18    S 201-A. ACCESS TO INFORMATION. THE DEPARTMENT SHALL ALLOW LAW  
19    ENFORCEMENT PERSONNEL ACCESS TO ANY INDIVIDUAL'S STREET ADDRESS PROVIDED  
20    PURSUANT TO PARAGRAPH B OF SUBDIVISION ONE OF SECTION FOUR HUNDRED ONE  
21    AND SUBDIVISION ONE OF SECTION FIVE HUNDRED TWO OF THIS CHAPTER.  
22    S 3. Paragraph b of subdivision 1 of section 401 of the vehicle and  
23    traffic law, as amended by chapter 222 of the laws of 1996, is amended  
24    to read as follows:

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

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1 b. Every owner of a motor vehicle which shall be operated or driven  
2 upon the public highways of this state shall, except as otherwise  
3 expressly provided, cause to be presented, by mail or otherwise, to the  
4 office or a branch office of the commissioner, or to any agent of the  
5 commissioner, constituted as provided in this chapter, an application  
6 for registration addressed to the commissioner, and on a blank to be  
7 prepared under the direction of and furnished by the commissioner for  
8 that purpose, containing: (a) a brief description of the motor vehicle  
9 to be registered, including the name and factory number of such vehicle,  
10 and such other facts as the commissioner shall require; (b) the weight  
11 of the vehicle upon which the registration fee is based if the fee is  
12 based on weight; (c) the name and residence, including county of the  
13 owner of such motor vehicle, PROVIDED THAT IF THE APPLICANT USES A POST  
14 OFFICE BOX WHEN PROVIDING A RESIDENCE ADDRESS, SUCH APPLICANT SHALL ALSO  
15 PROVIDE THE STREET ADDRESS AT WHICH HE OR SHE RESIDES; (d) provided  
16 that, if such motor vehicle is used or to be used as an omnibus, the  
17 applicant also shall so certify, and in the case of an omnibus also  
18 certify as to the seating capacity, and if the omnibus is to be operated  
19 wholly within a municipality pursuant to a franchise other than a fran-  
20 chise express or implied in articles of incorporation upon certain  
21 streets designated in such franchise, those facts shall also be certi-  
22 fied, and a certified copy of such franchise furnished to the commis-  
23 sioner; (e) provided, that, if such motor vehicle is an altered livery,  
24 the applicant shall so furnish a certified copy of the length of the  
25 center panel of such vehicle, provided, however, that the commissioner  
26 shall require such proof, as he OR SHE may determine is necessary, in  
27 the application for registration and provided further, if the center  
28 panel of such vehicle exceeds one hundred inches, the commissioner shall  
29 require proof that such vehicle is in compliance with all applicable  
30 federal and state motor vehicle safety standards; and (f) such addi-  
31 tional facts or evidence as the commissioner may require in connection  
32 with the application for registration. Every owner of a trailer shall  
33 also make application for the registration thereof in the manner herein  
34 provided for an application to register a motor vehicle, but shall  
35 contain a statement showing the manufacturer's number or other identifi-  
36 cation satisfactory to the commissioner and no number plate for a trail-  
37 er issued under the provisions of subdivision three of section four  
38 hundred two of this [chapter] ARTICLE shall be transferred to or used  
39 upon any other trailer than the one for which number plate is issued.  
40 The commissioner shall require proof, in the application for registra-  
41 tion, or otherwise, as such commissioner may determine, that the motor  
42 vehicle for which registration is applied for is equipped with lights  
43 conforming in all respects to the requirements of this chapter, and no  
44 motor vehicle shall be registered unless it shall appear by such proofs  
45 that such motor vehicle is equipped with proper lights as aforesaid. The  
46 said application shall contain or be accompanied by such evidence of the  
47 ownership of the motor vehicle described in the application as may be  
48 required by the commissioner or his OR HER agent and which, with respect  
49 to new vehicles, shall include, unless otherwise specifically provided  
50 by the commissioner, the manufacturer's statement of origin. Applica-  
51 tions received by an agent of the commissioner shall be forwarded to the  
52 commissioner as he OR SHE shall direct for filing. No application for  
53 registration shall be accepted unless the applicant is at least sixteen  
54 years of age AND HAS SIGNED SUCH APPLICATION ATTESTING TO THE TRUTH AND  
55 VERACITY OF THE FACTS STATED THEREIN.

1 S 4. Subdivision 1 of section 502 of the vehicle and traffic law, as  
2 amended by section 2 of part CC of chapter 58 of the laws of 2011, is  
3 amended to read as follows:

4 1. Application for license. Application for a driver's license shall  
5 be made to the commissioner. The fee prescribed by law may be submitted  
6 with such application. The applicant shall furnish such proof of identi-  
7 ty, age, ADDRESS OF HIS OR HER RESIDENCE and fitness as may be required  
8 by the commissioner. WHEN PROVIDING HIS OR HER ADDRESS OF RESIDENCE, THE  
9 APPLICANT SHALL PROVIDE THE STREET ADDRESS AT WHICH HE OR SHE RESIDES.  
10 EACH APPLICANT SHALL SIGN HIS OR HER APPLICATION ATTESTING TO THE TRUTH  
11 AND VERACITY OF THE FACTS STATED THEREIN. The commissioner may also  
12 provide that the application procedure shall include the taking of a  
13 photo image or images of the applicant in accordance with rules and  
14 regulations prescribed by the commissioner. In addition, the commission-  
15 er also shall require that the applicant provide his or her social secu-  
16 rity number and provide space on the application so that the applicant  
17 may register in the New York state organ and tissue donor registry under  
18 section forty-three hundred ten of the public health law. In addition,  
19 an applicant for a commercial driver's license who will operate a  
20 commercial motor vehicle in interstate commerce shall certify that such  
21 applicant meets the requirements to operate a commercial motor vehicle,  
22 as set forth in public law 99-570, title XII, and title 49 of the code  
23 of federal regulations, and all regulations promulgated by the United  
24 States secretary of transportation under the hazardous materials trans-  
25 portation act. In addition, an applicant for a commercial driver's  
26 license shall submit a medical certificate at such intervals as required  
27 by the federal motor carrier safety improvement act of 1999 and Part  
28 383.71(h) of title 49 of the code of federal regulations relating to  
29 medical certification and in a manner prescribed by the commissioner.  
30 For purposes of this section and sections five hundred three and five  
31 hundred ten-a of this title, the term "medical certificate" shall mean a  
32 form substantially in compliance with the form set forth in Part  
33 391.43(h) of title 49 of the code of federal regulations. Upon a deter-  
34 mination that the holder of a commercial driver's license has made any  
35 false statement, with respect to the application for such license, the  
36 commissioner shall revoke such license.

37 S 5. This act shall take effect on the same date and in the same  
38 manner as part A of chapter 62 of the laws of 2011 takes effect, as  
39 provided in subdivision (a) of section 114 of such part, provided that  
40 sections two, three and four of this act shall take effect on the same  
41 date and in the same manner as section 2 of part CC of chapter 58 of the  
42 laws of 2011 takes effect.