

IDENTITY THEFT AND OTHER CRIMES

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Stephen E. Sandstrom

Senate Sponsor: Carlene M. Walker

LONG TITLE

General Description:

This bill modifies provisions of the Financial Responsibility of Motor Vehicle Owners and Operators Act related to access by the Office of the Attorney General to the Uninsured Motorist Identification Database.

Highlighted Provisions:

This bill:

▶ provides that the Uninsured Motorist Identification Database Program shall be used to assist in the identification and prevention of identity theft and other crimes ~~⌚→ [under the direction of the Office of the Attorney General] ←⌚~~ ;

▶ provides that information in the Uninsured Motorist Identification Database may be disclosed to ~~⌚→ [the Office of the Attorney General]~~ a state or local law enforcement agency ←⌚ upon its request for the purpose of investigating and prosecuting identity theft and other crimes; and

▶ makes certain technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

41-12a-803, as last amended by Laws of Utah 2007, Chapter 262



28 41-12a-805, as last amended by Laws of Utah 2003, Chapter 32

29

30 *Be it enacted by the Legislature of the state of Utah:*

31 Section 1. Section 41-12a-803 is amended to read:

32 **41-12a-803. Program creation -- Administration -- Selection of designated agent**
33 **-- Duties -- Rulemaking -- Audits.**

34 (1) There is created the Uninsured Motorist Identification Database Program to:

35 (a) establish an Uninsured Motorist Identification Database to verify compliance with
36 motor vehicle owner's or operator's security requirements under Section 41-12a-301 and other
37 provisions under this part;

38 (b) assist in reducing the number of uninsured motor vehicles on the highways of the
39 state;

40 (c) assist in increasing compliance with motor vehicle registration and sales and use tax
41 laws; ~~and~~

42 (d) assist in protecting a financial institution's bona fide security interest in a motor
43 vehicle[-]; and

44 (e) assist in the identification and prevention of identity theft and other crimes ~~H~~→ **[under**
45 **the direction of the Office of the Attorney General** ~~←H~~ .

46 (2) The program shall be administered by the department with the assistance of the
47 designated agent and the Motor Vehicle Division.

48 (3) (a) The department shall contract in accordance with Title 63, Chapter 56, Utah
49 Procurement Code, with a third party to establish and maintain an Uninsured Motorist
50 Identification Database for the purposes established under this part.

51 (b) The contract may not obligate the department to pay the third party more monies
52 than are available in the account.

53 (4) (a) The third party under contract under this section is the department's designated
54 agent, and shall develop and maintain a computer database from the information provided by:

55 (i) insurers under Section 31A-22-315;

56 (ii) the division under Subsection (6); and

57 (iii) the Motor Vehicle Division under Section 41-1a-120.

58 (b) (i) The database shall be developed and maintained in accordance with guidelines

59 established by the department so that state and local law enforcement agencies and financial
60 institutions as defined in Section 7-1-103 can efficiently access the records of the database,
61 including reports useful for the implementation of the provisions of this part.

62 (ii) (A) The reports shall be in a form and contain information approved by the
63 department.

64 (B) The reports may be made available through the Internet or through other electronic
65 medium, if the department determines that sufficient security is provided to ensure compliance
66 with Section 41-12a-805 regarding limitations on disclosure of information in the database.

67 (5) With information provided by the department and the Motor Vehicle Division, the
68 designated agent shall, at least monthly for submissions under Subsection 31A-22-315(2)(b) or
69 at least twice a month for submissions under Subsection 31A-22-315(2)(a):

70 (a) update the database with the motor vehicle insurance information provided by the
71 insurers in accordance with Section 31A-22-315; and

72 (b) compare all current motor vehicle registrations against the database.

73 (6) The division shall provide the designated agent with the name, date of birth,
74 address, and driver license number of all persons on the driver license database.

75 (7) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the
76 department shall make rules and develop procedures in cooperation with the Motor Vehicle
77 Division to use the database for the purpose of administering and enforcing this part.

78 (8) (a) The designated agent shall archive computer data files at least semi-annually for
79 auditing purposes.

80 (b) The internal audit unit of the tax commission provided under Section 59-1-206
81 shall audit the program at least every three years.

82 (c) The audit under Subsection (8)(b) shall include verification of:

83 (i) billings made by the designated agent; and

84 (ii) the accuracy of the designated agent's matching of vehicle registration with
85 insurance data.

86 Section 2. Section **41-12a-805** is amended to read:

87 **41-12a-805. Disclosure of insurance information -- Penalty.**

88 (1) Information in the database established under Section 41-12a-803 provided by a
89 person to the designated agent is considered to be the property of the person providing the

90 information.

91 (2) The information may not be disclosed from the database under Title 63, Chapter 2,
92 Government Records Access and Management Act, or otherwise, except as follows:

93 (a) for the purpose of investigating, litigating, or enforcing the owner's or operator's
94 security requirement under Section 41-12a-301, the designated agent shall verify insurance
95 information through the state computer network for a state or local government agency or
96 court;

97 (b) for the purpose of investigating, litigating, or enforcing the owner's or operator's
98 security requirement under Section 41-12a-301, the designated agent shall, upon request, issue
99 to any state or local government agency or court a certificate documenting the insurance
100 information, according to the database, of a specific individual or motor vehicle for the time
101 period designated by the government agency;

102 (c) upon request, the department or its designated agent shall disclose whether or not a
103 person is an insured individual and the insurance company name to:

104 (i) that individual or, if that individual is deceased, any interested person of that
105 individual, as defined in Section 75-1-201;

106 (ii) the parent or legal guardian of that individual if the individual is an unemancipated
107 minor;

108 (iii) the legal guardian of that individual if the individual is legally incapacitated;

109 (iv) a person who has power of attorney from the insured individual;

110 (v) a person who submits a notarized release from the insured individual dated no more
111 than 90 days before the date the request is made; or

112 (vi) a person suffering loss or injury in a motor vehicle accident in which the insured
113 individual is involved, but only as part of an accident report as authorized in Section
114 41-12a-202;

115 (d) for the purpose of investigating, enforcing, or prosecuting laws or issuing citations
116 by state or local law enforcement agencies related to the:

117 (i) registration and renewal of registration of a motor vehicle under Title 41, Chapter
118 1a, Motor Vehicle Act;

119 (ii) purchase of a motor vehicle under Title 59, Chapter 12, Sales and Use Tax Act; and

120 (iii) owner's or operator's security requirements under Section 41-12a-301;

121 (e) upon request of a peace officer acting in an official capacity under the provisions of
 122 Subsection ~~[(+)]~~ (2)(d), the department or the designated agent shall, upon request, disclose
 123 relevant information for investigation, enforcement, or prosecution;

124 (f) for the purpose of the state auditor, the legislative auditor general, or other auditor
 125 of the state conducting audits of the program; ~~[and]~~

126 (g) upon request of a financial institution as defined under Section 7-1-103 for the
 127 purpose of protecting the financial institution's bona fide security interest in a motor vehicle~~[-];~~
 128 and

129 (h) upon the request of ~~H~~ → ~~[the Office of the Attorney General]~~ a state or local law
 129a enforcement agency ← ~~H~~ for the purpose of
 130 investigating and prosecuting identity theft and other crimes.

131 ~~[(2)]~~ (3) (a) The department may allow the designated agent to prepare and deliver
 132 upon request, a report on the insurance information of a person or motor vehicle in accordance
 133 with this section.

134 (b) The report may be in the form of:

135 (i) a certified copy that is considered admissible in any court proceeding in the same
 136 manner as the original; or

137 (ii) information accessible through the Internet or through other electronic medium if
 138 the department determines that sufficient security is provided to ensure compliance with this
 139 section.

140 (c) The department may allow the designated agent to charge a fee established by the
 141 department under Section 63-38-3.2 for each:

142 (i) document authenticated, including each certified copy;

143 (ii) record accessed by the Internet or by other electronic medium; and

144 (iii) record provided to a financial institution under Subsection ~~[(+)]~~ (2)(g).

145 ~~[(3)]~~ (4) ~~[Any]~~ A person who knowingly releases or discloses information from the
 146 database for a purpose other than those authorized in this section or to a person who is not
 147 entitled to it is guilty of a third degree felony.

148 ~~[(4)]~~ (5) An insurer is not liable to any person for complying with Section 31A-22-315
 149 by providing information to the designated agent.

150 ~~[(5)]~~ (6) Neither the state nor the department's designated agent ~~[are]~~ is liable to any
 151 person for gathering, managing, or using the information in the database as provided in Section

152 31A-22-315 and this part.

Legislative Review Note
as of 2-5-08 5:10 PM

Office of Legislative Research and General Counsel

H.B. 210 - Identity Theft and Other Crimes

Fiscal Note

2008 General Session
State of Utah

State Impact

Enactment of this bill will require one-time Restricted Funds of \$60,000 and ongoing Restricted Funds of \$2,000 appropriated to the Department of Public Safety beginning FY 2009.

	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2009</u> <u>Approp.</u>	<u>FY 2010</u> <u>Approp.</u>	<u>FY 2008</u> <u>Revenue</u>	<u>FY 2009</u> <u>Revenue</u>	<u>FY 2010</u> <u>Revenue</u>
Restricted Funds	\$0	\$62,000	\$2,000	\$0	\$0	\$0
Total	\$0	\$62,000	\$2,000	\$0	\$0	\$0

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.