

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE
DEPARTMENT OF TRANSPORTATION

IN THE MATTER OF THE TASK FORCE)
ON REDUCING AUTO RISKS) ORDER
THROUGH TECHNOLOGY)

This matter having been opened by the Commissioner of the Department of Banking and Insurance and the Commissioner of the Department of Transportation (herein collectively referred to as the "Commissioners") pursuant to the authority of N.J.S.A. 17:1-15I and N.J.S.A. 27:1A-5(e); and

IT APPEARING that although the passage and implementation of Governor James E. McGreevey's auto reform initiative which combined aggressive consumer protections with needed marketplace reforms to address automobile insurance availability is having a positive impact on the marketplace;

IT FURTHER APPEARING that according to the 2000 U.S. Census, New Jersey is the most densely populated state with 1,134.2 residents per square mile, for a total population of 8, 414,350; and

IT FURTHER APPEARING that New Jersey drivers traveled 68,812,000,000 miles in 2002; and

IT FURTHER APPEARING that the accident rate for 2002 was 2.82 accidents per million vehicle miles traveled; and

IT FURTHER APPEARING that there were more than 320,000 automobile accidents in New Jersey in 2002, resulting in over 83,000 injuries, and more than 770 fatalities; and

IT FURTHER APPEARING that there are serious and important issues surrounding the safe operation of motor vehicles; and

IT FURTHER APPEARING that automated advances collectively known as "intelligent technology systems" enhance the safe operation of motor vehicles and reduce driving risks; and

IT FURTHER APPEARING that the implementation of intelligent technology systems leads to a reduction in the number of motor vehicle accidents; and

IT FURTHER APPEARING that a reduction in the number of motor vehicle accidents and number of claims has the potential to put downward pressure on automobile insurance rates for consumers; and

IT FURTHER APPEARING that the Commissioners wish to examine these issues with the assistance of experts in the fields of automobile insurance; highway safety; law enforcement; and intelligent technology systems; and with them develop recommendations for enhancing the safe operation of motor vehicles; and

IT FURTHER APPEARING that pursuant to N.J.S.A. 17:1-15I and N.J.S.A. 27:1A-5(e), the Commissioners may appoint advisory bodies to advise and assist them in carrying out the functions and duties of the Department of Banking and Insurance and the Department of Transportation;

THEREFORE, IT IS on this 25th day of June, 2004 ORDERED that:

1. The Task Force on Intelligent Technology Services is created and will be convened by the Commissioners to assist them in:
 - i. Identifying the various technologies and initiatives regarding the safe operation of motor vehicles;
 - ii. Assessing the cost effectiveness of implementing safety enhancing technologies and initiatives;
 - iii. Identifying incentives to consumers and insurers for utilizing safety enhancing technologies and initiatives; and
2. The Commissioners, or their designees shall co-chair the Task Force and designate the Board's other members as follows:
 - i. Three members from automobile insurance companies in this State;
 - ii. Two members with expertise in highway safety;
 - iii. Two members with expertise in law enforcement;

- iv. Three members with expertise in the area of intelligent technologies systems;
 - v. The Director of the Department of Banking and Insurance's Division on Insurance, as an ex officio member; and
 - vi. Two public members to be determined by the Commissioners.
3. The Commissioners may replace existing members or name additional members without need of further formal order;
4. Upon designation of the Task Force members, the Commissioners shall establish the date and time of the first meeting, which shall be no longer than 90 days from the date of this Order.
5. The Task Force shall meet as often as may be directed by the Commissioners, but at least three times per year, for a period of one year, unless the Commissioners extend this period.
6. The Task Force shall provide its recommendations to the Commissioners no later than one year from the date of its first meeting, unless the Commissioners extend this period.

6/25/04
Date

/s/ Holly C. Bakke
HollyC.Bakke
Commissioner

/s/ John F. Lettiere, Jr.
John F. Lettiere, Jr.
Commissioner