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New South Wales

Motor Accidents Compensation Amendment (Terrorism) Bill 2002

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The object of this Bill is to amend the *Motor Accidents Compensation Act 1999* to exclude, temporarily, liability for acts of terrorism from the coverage provided by compulsory third-party insurance policies under that Act.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides that the proposed Act commences on the date of assent.

Clause 3 is a formal provision giving effect to the amendments to the *Motor Accidents Compensation Act 1999* set out in Schedule 1.

Schedule 1 Amendments

Schedule 1 [1] inserts proposed section 15A into the *Motor Accidents Compensation Act 1999*. The proposed section provides that a third-party policy does not extend to insure against liability for an act that can reasonably be characterised as an act of terrorism. An *act of terrorism* is defined as an act causing or threatening to cause death, personal injury or property damage, that is designed to influence a government or intimidate the public or a section of the public and that is carried out in furtherance of a political, religious, ideological, ethnic or similar cause. Proposed section 15A (3) applies the section to acts of terrorism that occur on or after 1 January 2002 and before 1 January 2003 (or an earlier date appointed by proclamation). Proposed section 15A (4) makes it clear that claims paid in full before the date of assent to the proposed Act are not affected.

Schedule 1 [2] inserts proposed section 35A into the Act. The proposed section provides the same exemption from liability for claims made in respect of uninsured or unidentified motor vehicles against the Nominal Defendant.

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Contents

	Page
1 Name of Act	2
2 Commencement	2
3 Amendment of Motor Accidents Compensation Act 1999 No 41	2
Schedule 1 Amendments	3



New South Wales

Motor Accidents Compensation Amendment (Terrorism) Bill 2002

No. , 2002

A Bill for

An Act to amend the *Motor Accidents Compensation Act 1999* to exclude, temporarily, liability for acts of terrorism from the coverage provided by compulsory third-party insurance under that Act.

The Legislature of New South Wales enacts:	1
1 Name of Act	2
This Act is the <i>Motor Accidents Compensation Amendment (Terrorism) Act 2002</i> .	3 4
2 Commencement	5
This Act commences on the date of assent.	6
3 Amendment of Motor Accidents Compensation Act 1999 No 41	7
The <i>Motor Accidents Compensation Act 1999</i> is amended as set out in Schedule 1.	8 9

Schedule 1 Amendments

1

(Section 3)

2

[1] Section 15A

3

Insert after section 15:

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15A Temporary exclusion of acts of terrorism from insurance coverage

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- (1) A third-party policy does not extend to insure the owner or driver of a motor vehicle against a liability that is attributable to an act that, having regard to the nature of the act and the context in which the act was done, it is reasonable to characterise as an act of terrorism. 7
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- (2) For the purposes of this section, an *act of terrorism* is an act that: 12
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 - (a) causes or threatens to cause death, personal injury or damage to property, and 14
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 - (b) is designed to influence a government or to intimidate the public or a section of the public, and 16
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 - (c) is carried out for the purpose of advancing a political, religious, ideological, ethnic or similar cause. 18
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- (3) This section applies to an act of terrorism that occurs on or after 1 January 2002 and before: 20
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 - (a) 1 January 2003, unless paragraph (b) applies, or 22
 - (b) a date before 1 January 2003 that is appointed by proclamation for the purposes of this section. 23
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- (4) This section does not affect any claim that is paid in full before the date of assent to the *Motor Accidents Compensation Amendment (Terrorism) Act 2002*. 25
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[2] Section 35A	1
Insert after section 35:	2
35A Temporary exclusion of acts of terrorism from claims against Nominal Defendant	3 4
(1) There is no right of action against the Nominal Defendant under section 33, 34 or 35 for damages that are attributable to an act that, having regard to the nature of the act and the context in which the act was done, it is reasonable to characterise as an act of terrorism.	5 6 7 8 9
(2) For the purposes of this section, an <i>act of terrorism</i> has the same meaning as in section 15A.	10 11
(3) This section applies to an act of terrorism that occurs on or after 1 January 2002 and before:	12 13
(a) 1 January 2003, unless paragraph (b) applies, or	14
(b) a date before 1 January 2003 that is appointed by proclamation for the purposes of this section.	15 16
(4) This section does not affect any claim that is paid in full before the date of assent to the <i>Motor Accidents Compensation Amendment (Terrorism) Act 2002</i> .	17 18 19