

CHAPTER 90

AN ACT concerning electronic delivery of portable electronics insurance documents and amending P.L.2012, c.56.

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

1. Section 8 of P.L.2012, c.56 (C.17:22A-56) is amended to read as follows:

C.17:22A-56 Rights, responsibilities of insurers.

8. Notwithstanding any other provision of law:

- a. An insurer may terminate or otherwise change the terms and conditions of a policy of portable electronics insurance only upon providing the policyholder and enrolled consumers with at least 30 days' notice.

- b. If the insurer changes the terms and conditions, then the insurer shall provide the vendor policyholder with a revised policy or endorsement and each enrolled consumer with a revised certificate, endorsement, updated brochure, or other evidence indicating a change in the terms and conditions has occurred and a summary of material changes.

- c. Notwithstanding subsection a. of this section, an insurer may terminate an enrolled consumer's enrollment under a portable electronics insurance policy upon 15 days' notice if the insurer discovers fraud or material misrepresentation in obtaining coverage or in the presentation of a claim thereunder.

- d. Notwithstanding subsection a. of this section, an insurer may immediately terminate an enrolled consumer's enrollment under a portable electronics insurance policy:

- (1) For nonpayment of premium;

- (2) If the enrolled consumer ceases to have an active service with the vendor for one or more portable electronics covered under the policy, if applicable; or

- (3) If an enrolled consumer exhausts the aggregate limit of liability, if any, under the terms of the portable electronics insurance policy and the insurer sends notice of termination to the enrolled consumer within 30 calendar days after exhaustion of the limit. However, if notice is not timely sent, enrollment shall continue notwithstanding the aggregate limit of liability, until the insurer sends notice of termination to the enrolled consumer.

- e. If a policyholder terminates a portable electronics insurance policy, the policyholder shall provide electronic mail notification or shall mail or deliver written notice to each enrolled consumer advising the enrolled consumer of the termination of the policy and the effective date of termination. The written notice shall be sent by electronic mail, mailed, or delivered to the enrolled consumer at least 30 days prior to the termination.

- f. Whenever notice or correspondence with respect to a policy of portable electronics insurance is required pursuant to this section or is otherwise required by law, it shall be in writing and sent within the notice period, if any, specified within the statute or regulation requiring the notice or correspondence. The notice or correspondence shall be sent to the vendor at the vendor's mailing address or electronic mail address specified for that purpose and to its affected enrolled consumers' last known mailing addresses or electronic mail addresses on file with the insurer. The insurer or vendor, as the case may be, shall maintain proof of mailing in a form authorized or accepted by the United States Postal Service or other commercial mail delivery service or, if sent to an electronic mail address, a copy of the electronic mail message.

- g. Notice or correspondence required pursuant to this section or otherwise required by law may be sent on behalf of an insurer or vendor, as the case may be, by the supervising entity appointed by the insurer.

h. An insurer shall cease delivering by electronic mail any notice or other document and shall deliver the notice or other document by any other delivery method authorized by law if:

(1) the insurer attempts to deliver by electronic mail a notice or other document and has a reasonable basis to believe that the notice or other document was not received by the enrolled customer or vendor, as applicable; or

(2) the insurer becomes aware that the electronic mail address provided by the enrolled customer or vendor, as applicable, is no longer valid.

2. This act shall take effect on the 180th day next following the date of enactment.

Approved November 18, 2024.