

SENATE, No. 1385

STATE OF NEW JERSEY

222nd LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2026 SESSION

Sponsored by:

Senator JOSEPH A. LAGANA

District 38 (Bergen)

Senator VIN GOPAL

District 11 (Monmouth)

SYNOPSIS

Provides that contracts between subscribers and attorney in fact are not a related party transaction.

CURRENT VERSION OF TEXT

As reported by the Senate Commerce Committee with technical review.



(Sponsorship Updated As Of: 10/15/2026)

1 AN ACT concerning reciprocal insurance and interinsurance
2 contracts and amending P.L.1945, c.161.

3

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

6

7 1. Section 1 of P.L.1945, c.161 (C.17:50-1) is amended to read
8 as follows:

9 1. Individuals, partnerships, trustees and all corporations of this
10 State, herein designated "subscribers," are hereby authorized to
11 exchange reciprocal or interinsurance contracts with each other and
12 with individuals, partnerships, trustees and corporations of other
13 States, districts, provinces and countries, for any or all of the kinds
14 of business for which a company may be formed or authorized to
15 transact under the provisions of chapter seventeen of Title 17 of the
16 Revised Statutes, except life insurance.

17 Such contracts and the exchange thereof and such subscribers,
18 their attorneys in fact and representatives shall be regulated by this
19 act, and by no other statute of this State relating to insurance,
20 including, but not limited to, R.S.17:27-1 et seq., except as herein
21 otherwise provided. Such contracts between subscribers and the
22 attorney in fact and any fees charged pursuant to those contracts or
23 arising out of those contracts shall not be construed to be a related
24 party transaction.

25 (cf: P.L.1945, c.161, s.1)

26

27 2. This act shall take effect immediately.

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.