

[First Reprint]

ASSEMBLY, No. 4293

STATE OF NEW JERSEY
218th LEGISLATURE

INTRODUCED JUNE 27, 2018

Sponsored by:

Assemblywoman ANNETTE QUIJANO

District 20 (Union)

Assemblyman JON M. BRAMNICK

District 21 (Morris, Somerset and Union)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Assemblywoman SHAVONDA E. SUMTER

District 35 (Bergen and Passaic)

Assemblywoman JOANN DOWNEY

District 11 (Monmouth)

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

Co-Sponsored by:

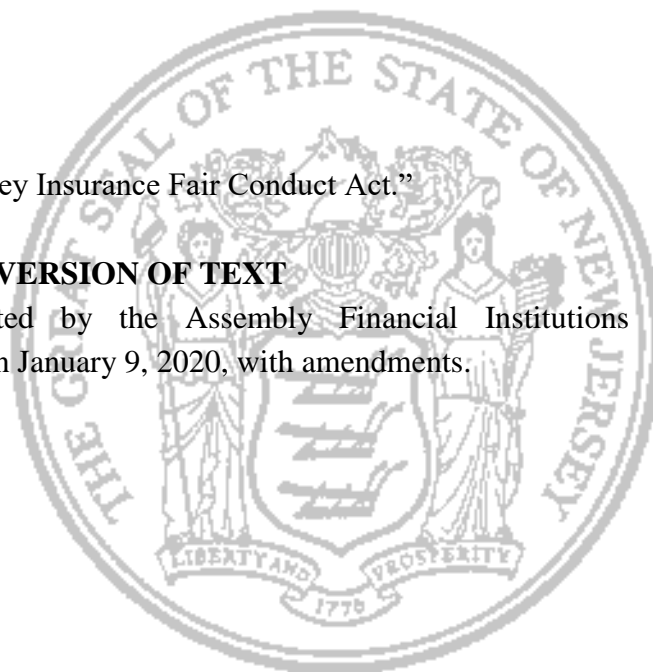
Assemblyman Peterson and Assemblywoman Jimenez

SYNOPSIS

“New Jersey Insurance Fair Conduct Act.”

CURRENT VERSION OF TEXT

As reported by the Assembly Financial Institutions and Insurance Committee on January 9, 2020, with amendments.



(Sponsorship Updated As Of: 1/14/2020)

1 AN ACT concerning certain unreasonable practices in the business
2 of insurance and supplementing Title 17 of the Revised Statutes.

3

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

6

7 1. This act shall be known and may be cited as the “New Jersey
8 Insurance Fair Conduct Act.”

9

10 2. As used in this act:

11 "First-party claimant" or "claimant" means an individual¹ [,
12 corporation, association, partnership or other legal entity] injured in
13 a motor vehicle accident and entitled to the uninsured or
14 underinsured motorist coverage of an insurance policy¹ asserting an
15 entitlement to benefits owed directly to or on behalf of an insured
16 under ¹[an] that¹ insurance policy.

17 "Insurer" means any individual, corporation, association,
18 partnership or other legal entity which issues, executes, renews or
19 delivers an insurance policy in this State, or which is responsible
20 for determining claims made under the policy. "Insurer" shall not
21 include an insurance producer as defined in section 3 of P.L.2001,
22 c.210 (C.17:22A-28) or a public entity.

23 "Public entity" means the State, any county, municipality,
24 district, public authority, public agency and any other political
25 subdivision or public body in the State, including a joint insurance
26 fund of a public entity.

27

28 3. a. In addition to the enforcement authority provided to the
29 Commissioner of Banking and Insurance pursuant to the provisions
30 of P.L.1947, c.379 (C.17:29B-1 et seq.) or any other law, a claimant
31 may, regardless of any action by the commissioner, file a civil
32 action in a court of competent jurisdiction against its ¹automobile¹
33 insurer for:

34 (1) an unreasonable delay or unreasonable denial of a claim for
35 payment of benefits under an insurance policy; or

36 (2) any violation of the provisions of section 4 of P.L.1947,
37 c.379 (C.17:29B-4).

38 b. In any action filed pursuant to this act, the claimant shall not
39 be required to prove that the insurer's actions were of such a
40 frequency as to indicate a general business practice.

41 c. Upon establishing that a violation of the provisions of this
42 act has occurred, the plaintiff shall be entitled to:

43 (1) actual damages caused by the violation of this act ¹which
44 shall include, but need not be limited to, actual trial verdicts¹; ¹and¹

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AFI committee amendments adopted January 9, 2020.

- 1 (2) prejudgment interest, reasonable attorney's fees, and all
- 2 reasonable litigation expenses¹]; and
- 3 (3) treble damages¹.
- 4
- 5 4. This act shall take effect immediately.