ASSEMBLY, No. 434

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:
Assemblyman GREGORY P. MCGUCKIN
District 10 (Ocean)
Assemblyman JOHN CATALANO
District 10 (Ocean)

SYNOPSIS

Requires insurers that sell flood insurance to provide certain policyholders with certain information.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.

(Sponsorship Updated As Of: 2/3/2020)

AN ACT concerning flood insurance and supplementing Title 17 of the Revised Statutes.

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

1. Every insurer selling and advertising flood insurance in this State through the National Flood Insurance Program overseen by the Federal Emergency Management Agency shall provide to each of its flood insurance policyholders who held such policy on October 28, 2012, and is a claimant for damage to the insured property, copies of all reports and documents, including any drafts, redlines, markups, notes, measurements, photographs and written communications related thereto, that have been prepared, collected or taken by any engineer, adjustor or other agent or contractor affiliated with the insurer or any other defendant in a claim dispute, relating to the properties and damage at issue.

2. If the Commissioner of Banking and Insurance determines that an insurer has committed or performed, with such frequency as to indicate a general business practice, violations of any provisions of this act, the commissioner may impose a civil penalty in an amount up to $2,500 for the first violation and up to $5,000 for each and every subsequent violation, collectible in an action brought in the name of the commissioner pursuant to the provisions of the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

3. This act shall take effect immediately.

STATEMENT

This bill requires insurers who sell flood insurance to provide to certain of their policyholders, who are claimants for damage to the insured property, information relating to claims for damage to their properties. More specifically, the bill stipulates that every insurer selling and advertising flood insurance in this State through the National Flood Insurance Program overseen by the Federal Emergency Management Agency shall provide to each of its flood insurance policyholders who held such policy on October 28, 2012, and is a claimant for damage to the insured property, copies of all reports and documents, including any drafts, redlines, markups, notes, measurements, photographs and written communications related thereto, that have been prepared, collected or taken by any engineer, adjustor or other agent or contractor affiliated with the insurer or any other defendant in a claim dispute, relating to the

properties and damage at issue. The date of October 28, 2012, enumerated in the bill, corresponds to the date that Superstorm Sandy struck New Jersey and surrounding areas.