

ASSEMBLY, No. 1422

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblywoman YVONNE LOPEZ

District 19 (Middlesex)

Assemblyman DANIEL R. BENSON

District 14 (Mercer and Middlesex)

Assemblywoman NANCY F. MUNOZ

District 21 (Morris, Somerset and Union)

SYNOPSIS

Requires automobile insurers to inform parties involved in automobile claim that they are not required to provide statement.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** concerning automobile insurance and supplementing
2 P.L.2003, c.89.

3

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

6

7 1. a. Every insurer writing private passenger automobile
8 insurance in this State shall, as part of the investigation and
9 adjudication of a claim involving one of its insureds, inform any
10 party involved with the claim, other than the insured filing the
11 claim, prior to any discussion of the claim with an involved party,
12 that the party:

13 (1) is not required to provide a statement to the insurer; and

14 (2) may refer the insurer to the party's own insurer without
15 providing a statement.

16 b. If the Commissioner of Banking and Insurance finds, after
17 notice and hearing, that an insurer has a pattern and practice of
18 failing to provide any of the information required by this section,
19 the commissioner may, after notice and hearing, order the payment
20 of a penalty not to exceed \$1,000 for each offense. Each instance of
21 a failure to provide information to an insured, an applicant or the
22 commissioner, as the case may be, shall be a separate offense and
23 subject to assessment of a separate penalty. Penalties assessed
24 pursuant to this section shall be collected by the commissioner
25 pursuant to the "Penalty Enforcement Law of 1999," P.L.1999,
26 c.274 (C.2A:58-10 et seq.).

27

28 2. This act shall take effect immediately.

29

30

31

STATEMENT

32

33 This bill requires automobile insurers to inform any party to an
34 automobile insurance claim, other than the insured filing the claim,
35 that the party has no obligation to discuss the claim with the insurer.
36 Furthermore, the bill provides that the insurer is required to inform
37 any party to an automobile insurance claim, other than the insured
38 filing the claim, that the person may refer the insurer to the person's
39 own insurance provider.

40 The bill provides that, if the Commissioner of Banking and
41 Insurance finds, after notice and hearing, that an insurer has a
42 pattern and practice of failing to provide any of the information
43 required by this section, the commissioner may, after notice and
44 hearing, order the payment of a penalty not to exceed \$1,000 for
45 each offense.