

**ASSEMBLY, No. 1609**

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**STATE OF NEW JERSEY**

**219th LEGISLATURE**

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PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

**Sponsored by:**

**Assemblywoman PAMELA R. LAMPITT**

**District 6 (Burlington and Camden)**

**Assemblyman RAJ MUKHERJI**

**District 33 (Hudson)**

**Assemblyman DANIEL R. BENSON**

**District 14 (Mercer and Middlesex)**

**Co-Sponsored by:**

**Assemblywoman Chaparro**

**SYNOPSIS**

Clarifies that owners of self-driving motor vehicles must comply with existing insurance requirements.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



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

1   **AN ACT** concerning insurance for self-driving motor vehicles and  
2       amending P.L.1972, c.70 and P.L.1972, c.197.

3

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

6

7       1. Section 2 of P.L.1972, c.70, (C.39:6A-2) is amended to read  
8 as follows:

9       2. As used in this act:

10      a. "Automobile" means a private passenger automobile of a  
11 private passenger or station wagon type that is owned or hired and  
12 is neither used as a public or livery conveyance for passengers nor  
13 rented to others with a driver; and a motor vehicle with a pickup  
14 body, a delivery sedan, a van, or a panel truck or a camper type  
15 vehicle used for recreational purposes owned by an individual or by  
16 husband and wife who are residents of the same household, not  
17 customarily used in the occupation, profession or business of the  
18 insured other than farming or ranching. An automobile owned by a  
19 farm family copartnership or corporation, which is principally  
20 garaged on a farm or ranch and otherwise meets the definitions  
21 contained in this section, shall be considered a private passenger  
22 automobile owned by two or more relatives resident in the same  
23 household. An automobile shall include a self-driving private  
24 passenger automobile which meets any SAE automation level as  
25 defined by the National Highway Traffic Safety Administration.

26      b. "Essential services" means those services performed not for  
27 income which are ordinarily performed by an individual for the care  
28 and maintenance of such individual's family or family household.

29      c. "Income" means salary, wages, tips, commissions, fees and  
30 other earnings derived from work or employment.

31      d. "Income producer" means a person who, at the time of the  
32 accident causing personal injury or death, was in an occupational  
33 status, earning or producing income.

34      e. "Medical expenses" means reasonable and necessary  
35 expenses for treatment or services as provided by the policy,  
36 including medical, surgical, rehabilitative and diagnostic services  
37 and hospital expenses, provided by a health care provider licensed  
38 or certified by the State or by another state or nation, and  
39 reasonable and necessary expenses for ambulance services or other  
40 transportation, medication and other services as may be provided  
41 for, and subject to such limitations as provided for, in the policy, as  
42 approved by the commissioner. "Medical expenses" shall also  
43 include any nonmedical remedial treatment rendered in accordance  
44 with a recognized religious method of healing.

**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.**

1 f. "Hospital expenses" means the cost of treatment and  
2 services, as provided in the policy approved by the commissioner,  
3 by a licensed and accredited acute care facility which engages  
4 primarily in providing diagnosis, treatment and care of sick and  
5 injured persons on an inpatient or outpatient basis; the cost of  
6 covered treatment and services provided by an extended care  
7 facility which provides room and board and skilled nursing care 24  
8 hours a day and which is recognized by the administrators of the  
9 federal Medicare program as an extended care facility; and the cost  
10 of covered services at an ambulatory surgical facility supervised by  
11 a physician licensed in this State or in another jurisdiction and  
12 recognized by the Commissioner of Health **【and Senior Services】**,  
13 or any other facility licensed, certified or recognized by the  
14 Commissioner of Health **【and Senior Services】** or the  
15 Commissioner of Human Services or a nationally recognized  
16 system such as the Commission on Accreditation of Rehabilitation  
17 Facilities, or by another jurisdiction in which it is located.

18 g. "Named insured" means the person or persons identified as  
19 the insured in the policy and, if an individual, his or her spouse, if  
20 the spouse is named as a resident of the same household, except that  
21 if the spouse ceases to be a resident of the household of the named  
22 insured, coverage shall be extended to the spouse for the full term  
23 of any policy period in effect at the time of the cessation of  
24 residency.

25 h. "Pedestrian" means any person who is not occupying,  
26 entering into, or alighting from a vehicle propelled by other than  
27 muscular power and designed primarily for use on highways, rails  
28 and tracks.

29 i. "Noneconomic loss" means pain, suffering and  
30 inconvenience.

31 j. "Motor vehicle" means a motor vehicle as defined in  
32 R.S.39:1-1, exclusive of an automobile as defined in subsection a.  
33 of this section.

34 k. "Economic loss" means uncompensated loss of income or  
35 property, or other uncompensated expenses, including, but not  
36 limited to, medical expenses.

37 l. "Health care provider" or "provider" means those persons  
38 licensed or certified to perform health care treatment or services  
39 compensable as medical expenses and shall include, but not be  
40 limited to, (1) a hospital or health care facility which is maintained  
41 by a state or any of its political subdivisions, (2) a hospital or health  
42 care facility licensed by the Department of Health **【and Senior**  
43 **Services】**, (3) other hospitals or health care facilities designated by  
44 the Department of Health to provide health care services, or other  
45 facilities, including facilities for radiology and diagnostic testing,  
46 freestanding emergency clinics or offices, and private treatment  
47 centers, (4) a nonprofit voluntary visiting nurse organization  
48 providing health care services other than in a hospital, (5) hospitals

1 or other health care facilities or treatment centers located in other  
2 states or nations, (6) physicians licensed to practice medicine and  
3 surgery, (7) licensed chiropractors, (8) licensed dentists, (9)  
4 licensed optometrists, (10) licensed pharmacists, (11) licensed  
5 podiatrists, (12) registered bio-analytical laboratories, (13) licensed  
6 psychologists, (14) licensed physical therapists, (16) certified nurse-  
7 midwives, (17) certified nurse-practitioners/clinical nurse-  
8 specialists, (18) licensed health maintenance organizations, (19)  
9 licensed orthotists and prosthetists, (20) licensed professional  
10 nurses, and (21) providers of other health care services or supplies,  
11 including durable medical goods.

12 m. "Medically necessary" means that the treatment is consistent  
13 with the symptoms or diagnosis, and treatment of the injury (1) is  
14 not primarily for the convenience of the injured person or provider,  
15 (2) is the most appropriate standard or level of service which is in  
16 accordance with standards of good practice and standard  
17 professional treatment protocols, as such protocols may be  
18 recognized or designated by the Commissioner of Banking and  
19 Insurance, in consultation with the Commissioner of Health [and  
20 Senior Services] or with a professional licensing or certifying board  
21 in the Division of Consumer Affairs in the Department of Law and  
22 Public Safety, or by a nationally recognized professional  
23 organization, and (3) does not involve unnecessary diagnostic  
24 testing.

25 n. "Standard automobile insurance policy" means an  
26 automobile insurance policy with at least the coverage required  
27 pursuant to sections 3 and 4 of P.L.1972, c.70 (C.39:6A-3 and  
28 39:6A-4).

29 o. "Basic automobile insurance policy" means an automobile  
30 insurance policy pursuant to section 4 of P.L.1998, c.21 (C.39:6A-  
31 3.1).

32 p. "Self-driving private passenger automobile" means a private  
33 passenger automobile that uses autonomous technology, including  
34 sensors, global positioning system coordinates, or any other  
35 technology to perform the mechanical operations of driving, and has  
36 an operator seated in the driver's seat, monitoring the safe operation  
37 of the autonomous vehicle, and who is capable of taking over  
38 immediate manual control of the autonomous vehicle in the event of  
39 an autonomous technology failure or other emergency.

40 (cf: P.L.2005, c.259, s.35)

41

42 2. Section 1 of P.L.1972, c.197 (C.39:6B-1) is amended to read  
43 as follows:

44 1. a. Every owner or registered owner of a motor vehicle ,  
45 including any self-driving motor vehicle which meets any SAE  
46 automation level as defined by the National Highway Traffic Safety  
47 Administration, registered or principally garaged in this State shall  
48 maintain motor vehicle liability insurance coverage, under

1 provisions approved by the Commissioner of Banking and  
2 Insurance, insuring against loss resulting from liability imposed by  
3 law for bodily injury, death and property damage sustained by any  
4 person arising out of the ownership, maintenance, operation or use  
5 of a motor vehicle wherein such coverage shall be at least in: (1) an  
6 amount or limit of \$15,000.00, exclusive of interest and costs, on  
7 account of injury to, or death of, one person, in any one accident;  
8 and (2) an amount or limit, subject to such limit for any one person  
9 so injured or killed, of \$30,000.00, exclusive of interest and costs,  
10 on account of injury to or death of, more than one person, in any  
11 one accident; and (3) an amount or limit of \$5,000.00, exclusive of  
12 interest and costs, for damage to property in any one accident.

13 b. Notwithstanding the provisions of subsection a. of this  
14 section, an owner or registered owner of an automobile, as defined  
15 in section 2 of P.L.1972, c.70 (C.39:6A-2), registered or primarily  
16 garaged in the State may satisfy the requirements of subsection a. of  
17 this section by maintaining a basic automobile insurance policy  
18 containing coverages provided pursuant to subsections a. and b. of  
19 section 4 of P.L.1998, c.21 (C.39:6A-3.1).

20 c. Notwithstanding the provisions of subsection a. of this  
21 section, an owner or registered owner of an automobile, as defined  
22 in section 2 of P.L.1972, c.70 (C.39:6A-2), registered or primarily  
23 garaged in the State may satisfy the requirements of subsection a. of  
24 this section by maintaining a special automobile insurance policy  
25 containing coverages provided pursuant to subsection b. of section  
26 45 of P.L.2003, c.89 (C.39:6A-3.3).  
27 (cf: P.L.2003, c.89, s.60)

28

29 3. This act shall take effect immediately.

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### STATEMENT

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34 This bill clarifies that, for the purposes of insurance, a self-  
35 driving car must comply with compulsory automobile and motor  
36 vehicle insurance requirements.

37 Current law provides, with certain limited exceptions, that every  
38 owner or registered owner of a motor vehicle registered or  
39 principally garaged in this State shall maintain motor vehicle  
40 liability insurance coverage. This bill clarifies that this mandate  
41 includes self-driving motor vehicles that are capable of operating  
42 without active control or monitoring by a human operator.

43 Further, the "New Jersey Automobile Reparation Reform Act,"  
44 P.L.1972, c.70 (C.39:6A-1 et seq.) created a system of "no-fault"  
45 insurance for private passenger automobiles. The bill amends the  
46 definition of "automobile" under that act to include a self-driving  
47 private passenger automobile which meets any SAE automation  
48 level as defined by the National Highway Traffic Safety

1 Administration. The bill also defines a “self-driving private  
2 passenger automobile” to mean a private passenger automobile that  
3 uses autonomous technology, including sensors, global positioning  
4 system coordinates, or any other technology to perform the  
5 mechanical operations of driving, and has an operator seated in the  
6 driver’s seat, monitoring the safe operation of the autonomous  
7 vehicle, and who is capable of taking over immediate manual  
8 control of the autonomous vehicle in the event of an autonomous  
9 technology failure or other emergency.

10 Therefore, the bill extends the requirements of the New Jersey  
11 Automobile Reparation Reform Act to self-driving cars, including  
12 the requirement for owners and registrants to maintain liability  
13 insurance and the requirement that applicable insurance policies  
14 include personal injury protection benefits.