

[First Reprint]

ASSEMBLY, No. 1659

STATE OF NEW JERSEY
219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

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Assemblyman JON M. BRAMNICK

District 21 (Morris, Somerset and Union)

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District 33 (Hudson)

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District 35 (Bergen and Passaic)

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District 11 (Monmouth)

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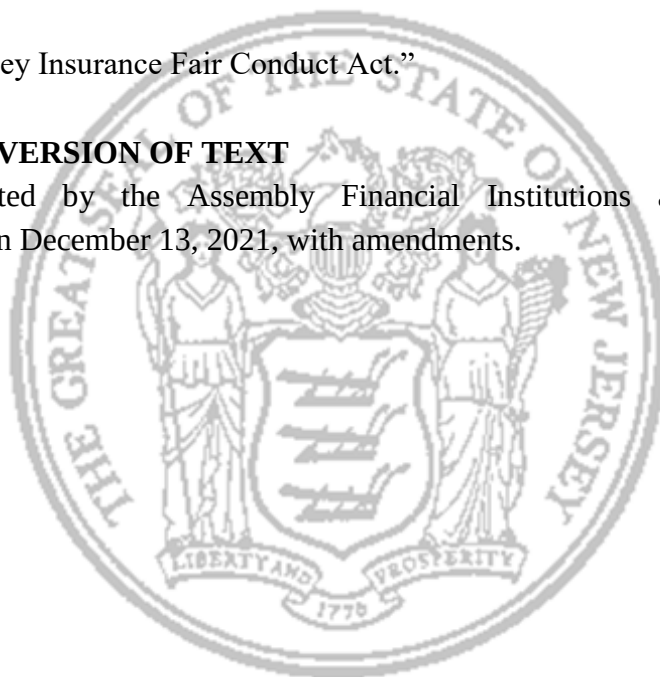
District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

“New Jersey Insurance Fair Conduct Act.”

CURRENT VERSION OF TEXT

As reported by the Assembly Financial Institutions and Insurance Committee on December 13, 2021, with amendments.



(Sponsorship Updated As Of: 1/27/2020)

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. ¹No rate increase shall be passed on to the consumer or
42 policyholder as a result of compliance with P.L. , c. (C.)
43 (pending before the Legislature as this bill) and dissemination of
44 inaccurate or misleading information to policyholders or consumers

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 December 13, 2021.

1 concerning P.L. , c. (C.) (pending before the Legislature as
2 this bill) shall be strictly prohibited.
3 d.¹ Upon establishing that a violation of the provisions of this
4 act has occurred, the plaintiff shall be entitled to¹【:
5 (1)】¹ actual damages caused by the violation of this act¹【;
6 (2) prejudgment interest, reasonable attorney's fees, and all
7 reasonable litigation expenses; and
8 (3) treble damages】 which shall include, but need not be limited
9 to, actual trial verdicts¹.
10
11 4. This act shall take effect immediately.