

ASSEMBLY, No. 2005

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

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SYNOPSIS

Requires notice prior to lapse of life insurance policy due to nonpayment of premium.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** concerning certain life insurance policies and
2 supplementing chapter 25 of Title 17B of the New Jersey
3 Statutes.

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

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8 1. a. An insurer shall give notice to the holder of a life
9 insurance policy, and to any producer of record on that policy, that
10 the policy will lapse due to nonpayment of premium not less than
11 10 days before the lapse of that policy.

12 b. The notice required by this section shall be accomplished by
13 regular mail, electronic mail, and telephone to the holder of the life
14 insurance policy and any producer of record, as appropriate, based
15 on information provided by the insured and the producer and on
16 record with the insurer.

17 c. The notice required by this section shall be in addition to
18 any other notice concerning nonpayment of premium or lapse of the
19 life insurance policy required under the terms of the policy.

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21 2. This act shall take effect on the 90th day next following
22 enactment and shall apply to policies of life insurance issued on or
23 after that date.

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STATEMENT

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28 This bill requires an insurer to provide notice to the holder of an
29 individual life insurance policy, and any producer of record on that
30 policy, that the policy will lapse due to nonpayment of premium.
31 The notice must be provided to the holder and any producer of
32 record at least 10 days prior to the lapse of the policy and shall be
33 accomplished by regular mail, electronic mail, and telephone to the
34 holder of the life insurance policy and any producer of record, as
35 appropriate, based on information provided by the insured and the
36 producer and on record with the insurer. The notice required by the
37 bill shall be in addition to any other notice concerning nonpayment
38 of premium or lapse of the life insurance policy required under the
39 terms of the policy.