ASSEMBLY, No. 2675

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 13, 2020

Sponsored by:
Assemblyman BENJIE E. WIMBERLY
District 35 (Bergen and Passaic)
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District 14 (Mercer and Middlesex)

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SYNOPSIS

Requires notice of cancellation or nonrenewal of automobile and homeowners insurance policies to be sent by certified mail, return receipt requested.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 8/24/2020)

AN ACT concerning the cancellation or nonrenewal of certain insurance policies and amending P.L.1968, c.131 and P.L.1968, c.158.

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

1. Section 1 of P.L.1968, c.131 (C.17:29C-1) is amended to read as follows:

1. a. In addition to the powers conferred upon him by any other law, the Commissioner of Banking and Insurance is hereby authorized and empowered to direct, by rule or regulation as hereinafter provided, that insurance companies organized under the laws of this State or organized to do business in this State, shall include provisions in policies of insurance written by any such company in this State, whereby 30 days' written notice shall be given**[**;**]** : (1) to the insured, of the cancellation of any such policy; **[**and,**]** (2) to any designated mortgagee not named therein as the insured of the cancellation of any interest in such policy; and**[**,**]** (3) to the insured, of intent not to renew any such policy.

b. With respect to a homeowners insurance policy, no written notice of cancellation or of intention not to renew sent by an insurer to an insured pursuant to subsection a. of this section shall be effective unless it is sent by certified mail with return receipt requested, and by regular mail. At the time of mailing of the notice by regular mail, the insurer shall obtain a date stamped proof of mailing from the United States Postal Service showing the name and address of the insured. The insurer shall retain a duplicate copy of the mailed notice which is certified to be a true copy.

(cf: P.L.1968, c.131, s.1)

2. Section 5 of P.L.1968, c.158 (C.17:29C-10) is amended to read as follows:

5. No written notice of cancellation or of intention not to renew sent by an insurer to an insured in accordance with the provisions of an automobile insurance policy shall be effective unless **[**a. (1)**]** it is sent by certified mail **[**or (2) at the time of the mailing of said notice, by regular mail, the insurer has obtained from the Post Office Department a date stamped proof of mailing showing the name and address of the insured**]**, with return receipt requested, and **[**b.**]** **[**the**]** by regular mail. At the time of the mailing of the notice by regular mail, the insurer shall obtain a date stamped proof of mailing from the United States Postal Service showing the name and address of the insured. The insurer **[**has retained**]** shall retain a duplicate copy of the mailed notice which is certified to be a true copy.

(cf: P.L.1980, c.165, s.2)

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.

3. This act shall take effect on the 60th day following enactment.

STATEMENT

This bill requires that a written notice of cancellation or nonrenewal of a homeowner’s insurance policy or an automobile insurance policy must be sent by certified mail, return receipt requested, and by regular mail with a proof of mailing, or the policy remains in effect.