# ASSEMBLY, No. 4301

# STATE OF NEW JERSEY

## 219th LEGISLATURE

INTRODUCED JUNE 22, 2020

**Sponsored by:**
**Assemblyman ERIC HOUGHTALING**
**District 11 (Monmouth)**
**Assemblywoman JOANN DOWNEY**
**District 11 (Monmouth)**

**SYNOPSIS**

Requires insurers to reimburse portion of alcoholic beverage liability insurance premiums if actual sales are lower than estimated sales used to calculate premium.

**CURRENT VERSION OF TEXT**

As introduced.

**(Sponsorship Updated As Of: 6/22/2020)**

**AN ACT** concerning alcoholic beverage liability insurance and supplementing Title 17 of the Revised Statutes.

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

1. Notwithstanding the provisions of any law, rule, or regulation to the contrary, every policy of alcoholic beverage liability insurance delivered, issued, executed, or renewed in this State on or after the effective date of this act, the premium for which is calculated based on the estimated annual sales of alcoholic beverages by the insured, shall provide for the reimbursement to the insured, on an annual basis, of the difference in value between the premium paid and the value of a premium calculated based on the actual sales of alcoholic beverages by the insured, if the actual sales are less than those sales estimated for purposes of the insurance premium.

2. This act shall take effect immediately.

STATEMENT

This bill requires alcoholic beverage liability insurance policies to provide for the reimbursement to insureds of the difference between the premium paid, based on estimated sales, and the value of the premium that would have been paid if it had been calculated based on actual sales. Insurance companies offering alcoholic beverage liability insurance policies may require payment in advance calculated based on the estimated annual sales of an insured. If in fact actual sales are less than the estimated annual sales, there is no provision for the refund of the excess premiums.