

SENATE, No. 870

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JANUARY 27, 2020

Sponsored by:

Senator JOSEPH PENNACCHIO

District 26 (Essex, Morris and Passaic)

SYNOPSIS

Provides certain homestead exemption in medical malpractice judgments; prohibits insurers from raising medical malpractice liability insurance premiums under certain circumstances.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning medical malpractice, supplementing Title 17 of
2 the Revised Statutes, and amending P.L.2004, c.17.

3

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

6

7 1. (New section) As used in this act:

8 "Condominium" means the form of real property ownership
9 provided for under the "Condominium Act," P.L.1969, c.257
10 (C.46:8B-1 et seq.).

11 "Dwelling house" means any residential property assessed as real
12 property but shall not include a unit in a condominium or a horizontal
13 property regime.

14 "Homestead" means:

15 (1) a dwelling house and the land on which that dwelling house
16 is located which constitutes the place of the owner's domicile and is
17 owned and used by the owner as the owner's principal residence;

18 (2) a condominium unit or a unit in a horizontal property regime
19 which constitutes the place of the owner's domicile and is owned and
20 used by the owner as the owner's principal residence; or

21 (3) a manufactured home as defined in section 2 of P.L.1990, c.61
22 (C.54:4-8.58).

23 "Horizontal property regime" means the form of real property
24 ownership provided for under the "Horizontal Property Act,"
25 P.L.1963, c.168 (C.46:8A-1 et seq.).

26 "Judgment debtor" means a health care provider who, as a
27 defendant in an action brought for medical malpractice, is required
28 to pay the claimant an award that is subject to the provisions of this
29 act.

30 "Owner" means a person possessing legal or equitable title to a
31 homestead.

32 "Principal residence" means a homestead occupied by the owner
33 as the owner's permanent residence, as distinguished from a vacation
34 home, property owned and rented or offered for rent by the owner,
35 and other secondary real property holdings.

36

37 2. (New section) a. Notwithstanding any law to the contrary, in
38 any judgment resulting from a civil action brought by a claimant for
39 medical malpractice, the judgment debtor may hold a homestead
40 exempt from attachment, execution, and forced sale. The homestead
41 exemption shall not exceed \$1,000,000, which amount shall be
42 adjusted annually by the court rendering judgment, in accordance
43 with changes in the Consumer Price Index for all urban consumers in
44 the New York City and the Philadelphia areas as reported by the
45 United States Department of Labor, using the year of the effective
46 date of this act as its base year.

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.

