

SENATE, No. 2129

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MARCH 16, 2020

Sponsored by:

Senator NIA H. GILL

District 34 (Essex and Passaic)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

SYNOPSIS

Clarifies that owners of self-driving motor vehicles must comply with existing insurance requirements.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 4/9/2020)

1 **AN ACT** concerning insurance for self-driving motor vehicles and
2 amending P.L.1972, c.70 and P.L.1972, c.197.

3

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

6

7 1. Section 2 of P.L.1972, c.70, (C.39:6A-2) is amended to read
8 as follows:

9 2. As used in this act:

10 a. "Automobile" means a private passenger automobile of a
11 private passenger or station wagon type that is owned or hired and
12 is neither used as a public or livery conveyance for passengers nor
13 rented to others with a driver; and a motor vehicle with a pickup
14 body, a delivery sedan, a van, or a panel truck or a camper type
15 vehicle used for recreational purposes owned by an individual or by
16 husband and wife who are residents of the same household, not
17 customarily used in the occupation, profession or business of the
18 insured other than farming or ranching. An automobile owned by a
19 farm family copartnership or corporation, which is principally
20 garaged on a farm or ranch and otherwise meets the definitions
21 contained in this section, shall be considered a private passenger
22 automobile owned by two or more relatives resident in the same
23 household. An automobile shall include a self-driving private
24 passenger automobile that is capable of operating without active
25 control or monitoring by a human operator.

26 b. "Essential services" means those services performed not for
27 income which are ordinarily performed by an individual for the care
28 and maintenance of such individual's family or family household.

29 c. "Income" means salary, wages, tips, commissions, fees and
30 other earnings derived from work or employment.

31 d. "Income producer" means a person who, at the time of the
32 accident causing personal injury or death, was in an occupational
33 status, earning or producing income.

34 e. "Medical expenses" means reasonable and necessary
35 expenses for treatment or services as provided by the policy,
36 including medical, surgical, rehabilitative and diagnostic services
37 and hospital expenses, provided by a health care provider licensed
38 or certified by the State or by another state or nation, and
39 reasonable and necessary expenses for ambulance services or other
40 transportation, medication and other services as may be provided
41 for, and subject to such limitations as provided for, in the policy, as
42 approved by the commissioner. "Medical expenses" shall also
43 include any nonmedical remedial treatment rendered in accordance
44 with a recognized religious method of healing.

45 f. "Hospital expenses" means the cost of treatment and
46 services, as provided in the policy approved by the commissioner,

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.

1 by a licensed and accredited acute care facility which engages
2 primarily in providing diagnosis, treatment and care of sick and
3 injured persons on an inpatient or outpatient basis; the cost of
4 covered treatment and services provided by an extended care
5 facility which provides room and board and skilled nursing care 24
6 hours a day and which is recognized by the administrators of the
7 federal Medicare program as an extended care facility; and the cost
8 of covered services at an ambulatory surgical facility supervised by
9 a physician licensed in this State or in another jurisdiction and
10 recognized by the Commissioner of Health **[and Senior Services]**,
11 or any other facility licensed, certified or recognized by the
12 Commissioner of Health **[and Senior Services]** or the
13 Commissioner of Human Services or a nationally recognized
14 system such as the Commission on Accreditation of Rehabilitation
15 Facilities, or by another jurisdiction in which it is located.

16 g. "Named insured" means the person or persons identified as
17 the insured in the policy and, if an individual, his or her spouse, if
18 the spouse is named as a resident of the same household, except that
19 if the spouse ceases to be a resident of the household of the named
20 insured, coverage shall be extended to the spouse for the full term
21 of any policy period in effect at the time of the cessation of
22 residency.

23 h. "Pedestrian" means any person who is not occupying,
24 entering into, or alighting from a vehicle propelled by other than
25 muscular power and designed primarily for use on highways, rails
26 and tracks.

27 i. "Noneconomic loss" means pain, suffering and
28 inconvenience.

29 j. "Motor vehicle" means a motor vehicle as defined in
30 R.S.39:1-1, exclusive of an automobile as defined in subsection a.
31 of this section.

32 k. "Economic loss" means uncompensated loss of income or
33 property, or other uncompensated expenses, including, but not
34 limited to, medical expenses.

35 l. "Health care provider" or "provider" means those persons
36 licensed or certified to perform health care treatment or services
37 compensable as medical expenses and shall include, but not be
38 limited to, (1) a hospital or health care facility which is maintained
39 by a state or any of its political subdivisions, (2) a hospital or health
40 care facility licensed by the Department of Health and Senior
41 Services, (3) other hospitals or health care facilities designated by
42 the Department of Health and Senior Services to provide health care
43 services, or other facilities, including facilities for radiology and
44 diagnostic testing, freestanding emergency clinics or offices, and
45 private treatment centers, (4) a nonprofit voluntary visiting nurse
46 organization providing health care services other than in a hospital,

1 (5) hospitals or other health care facilities or treatment centers
2 located in other states or nations, (6) physicians licensed to practice
3 medicine and surgery, (7) licensed chiropractors, (8) licensed
4 dentists, (9) licensed optometrists, (10) licensed pharmacists, (11)
5 licensed podiatrists, (12) registered bio-analytical laboratories, (13)
6 licensed psychologists, (14) licensed physical therapists, (16)
7 certified nurse-midwives, (17) certified nurse-practitioners/clinical
8 nurse-specialists, (18) licensed health maintenance organizations,
9 (19) licensed orthotists and prosthetists, (20) licensed professional
10 nurses, and (21) providers of other health care services or supplies,
11 including durable medical goods.

12 m. "Medically necessary" means that the treatment is consistent
13 with the symptoms or diagnosis, and treatment of the injury (1) is
14 not primarily for the convenience of the injured person or provider,
15 (2) is the most appropriate standard or level of service which is in
16 accordance with standards of good practice and standard
17 professional treatment protocols, as such protocols may be
18 recognized or designated by the Commissioner of Banking and
19 Insurance, in consultation with the Commissioner of Health [and
20 Senior Services] or with a professional licensing or certifying board
21 in the Division of Consumer Affairs in the Department of Law and
22 Public Safety, or by a nationally recognized professional
23 organization, and (3) does not involve unnecessary diagnostic
24 testing.

25 n. "Standard automobile insurance policy" means an
26 automobile insurance policy with at least the coverage required
27 pursuant to sections 3 and 4 of P.L.1972, c.70 (C.39:6A-3 and
28 39:6A-4).

29 o. "Basic automobile insurance policy" means an automobile
30 insurance policy pursuant to section 4 of P.L.1998, c.21 (C.39:6A-
31 3.1).

32 (cf: P.L.2005, c.259, s.35)

33

34 2. Section 1 of P.L.1972, c.197 (C.39:6B-1) is amended to read
35 as follows:

36 1. a. Every owner or registered owner of a motor vehicle ,
37 including any self-driving motor vehicle that is capable of operating
38 without active control or monitoring by a human operator,
39 registered or principally garaged in this State shall maintain motor
40 vehicle liability insurance coverage, under provisions approved by
41 the Commissioner of Banking and Insurance, insuring against loss
42 resulting from liability imposed by law for bodily injury, death and
43 property damage sustained by any person arising out of the
44 ownership, maintenance, operation or use of a motor vehicle
45 wherein such coverage shall be at least in: (1) an amount or limit of
46 \$15,000.00, exclusive of interest and costs, on account of injury to,

1 or death of, one person, in any one accident; and (2) an amount or
2 limit, subject to such limit for any one person so injured or killed,
3 of \$30,000.00, exclusive of interest and costs, on account of injury
4 to or death of, more than one person, in any one accident; and (3) an
5 amount or limit of \$5,000.00, exclusive of interest and costs, for
6 damage to property in any one accident.

7 b. Notwithstanding the provisions of subsection a. of this
8 section, an owner or registered owner of an automobile, as defined
9 in section 2 of P.L.1972, c.70 (C.39:6A-2), registered or primarily
10 garaged in the State may satisfy the requirements of subsection a. of
11 this section by maintaining a basic automobile insurance policy
12 containing coverages provided pursuant to subsections a. and b. of
13 section 4 of P.L.1998, c.21 (C.39:6A-3.1).

14 c. Notwithstanding the provisions of subsection a. of this
15 section, an owner or registered owner of an automobile, as defined
16 in section 2 of P.L.1972, c.70 (C.39:6A-2), registered or primarily
17 garaged in the State may satisfy the requirements of subsection a. of
18 this section by maintaining a special automobile insurance policy
19 containing coverages provided pursuant to subsection b. of section
20 45 of P.L.2003, c.89 (C.39:6A-3.3).
21 (cf: P.L.2003, c.89, s.60)

22
23 3. This act shall take effect immediately.
24
25

26 STATEMENT

27
28 This bill clarifies that, for the purposes of insurance, a self-
29 driving car must comply with compulsory automobile and motor
30 vehicle insurance requirements.

31 Current law provides, with certain limited exceptions, that every
32 owner or registered owner of a motor vehicle registered or
33 principally garaged in this State shall maintain motor vehicle
34 liability insurance coverage. This bill clarifies that this mandate
35 includes self-driving motor vehicles that are capable of operating
36 without active control or monitoring by a human operator.

37 Further, the "New Jersey Automobile Reparation Reform Act,"
38 P.L.1972, c.70 (C.39:6A-1 et seq.) created a system of "no-fault"
39 insurance for private passenger automobiles. The bill amends the
40 definition of "automobile" under that act to include a self-driving
41 private passenger automobile that is capable of operating without
42 active control or monitoring by a human operator. Therefore, the
43 bill extends the requirements of the New Jersey Automobile
44 Reparation Reform Act, including the requirement for owners and
45 registrants to maintain liability insurance and the requirement that

- 1 applicable insurance policies include personal injury protection
- 2 benefits, to self-driving cars.