

ASSEMBLY, No. 143

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblyman WOLFE

1 AN ACT concerning rating systems for private passenger automobile  
2 insurance coverage.

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

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7 1. No later than 180 days following the effective date of this act,  
8 every rate filing for private passenger automobile insurance shall  
9 contain an appropriate reduction for personal injury protection  
10 coverage, bodily injury liability coverage, property damage coverage,  
11 and physical damage coverage for the successful completion, by the  
12 named insured or the principal operator of the insured automobile, if  
13 other than the named insured, of an approved motor vehicle defensive  
14 driving course pursuant to section 55 of P.L.1990, c.8 (C.17:33B-45).  
15 The reduction in premium charges shall be an amount justified by the  
16 insurer's actuarial experience, and shall be available to the insured for  
17 a three-year period beginning with the next succeeding policy period  
18 after the date of completion of an approved motor vehicle defensive  
19 driving course or until driver's license suspension or involvement in an  
20 at-fault accident, as defined in section 26 of P.L.1990, c.8  
21 (C.17:33B-14).

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23 2. This act shall take effect immediately.

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STATEMENT

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28 This bill requires private passenger automobile insurers to provide  
29 appropriate reductions in automobile insurance premiums for a  
30 three-year period to named insureds or principal operators of  
31 automobiles who have successfully completed an approved defensive  
32 driving course. The reduction would apply to personal injury  
33 protection coverage, bodily injury liability coverage, property damage  
34 coverage, and physical damage coverage.

35 Insurers would be required to modify their rate filings to reflect the

1 reduction mandated by this bill no later than 180 days following the  
2 effective date of the bill. The reduction in premium charges would be  
3 required to be justified by the insurer's actuarial experience. Insureds  
4 would lose this premium reduction prior to the expiration of the  
5 three-year discount period provided for in the bill if their drivers'  
6 licenses are suspended or they are involved in an at-fault accident.

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11 Provides insurance premium reductions for completion of certain  
12 defensive driving courses.