

ASSEMBLY, No. 1591

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 22, 1996

By Assemblyman DALTON

1 AN ACT concerning surcharges by automobile insurers and amending
2 P.L.1995, c.386.

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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. Section 1 of P.L.1995, c.386 (C.17:33B-14.1) is amended to
8 read as follows:

9 1. a. In calculating a surcharge or other differential in rates based
10 on motor vehicle penalty points promulgated by the Director of the
11 Division of Motor Vehicles pursuant to section 1 of P.L.1982, c.43
12 (C.39:5-30.5), including any surcharge or differential based on the
13 schedule of automobile insurance eligibility points promulgated by the
14 Commissioner of Insurance pursuant to section 26 of P.L.1990, c.8
15 (C.17:33B-14), an insurer shall not consider any points assessed for a
16 violation or other infraction [of any lawful speed limitation where the
17 violator exceeded the speed limitation by less than 15 miles per hour],
18 except that, the insurer may consider any such violations or
19 infractions, in excess of one violation or infraction, of which the
20 insured has been [convicted] assessed points in the three-year period
21 immediately preceding the issuance or renewal of the policy. This
22 section shall only apply to [violations] points that [occur] are assessed
23 on or after the effective date of this act, but shall in no case apply to
24 a violation of subsection a. of R.S.39:4-98; R.S.39:4-50; section 2 of
25 P.L.1981, c.512 (C.39:4-50.4a); R.S.39:4-96; R.S.39:4-99;
26 N.J.S.2C:11-2; section 2 of P.L.1972, c.197 (C.39:6B-2); R.S.39:3-
27 40; section 15 of P.L.1972, c.70 (C.39:6A-15); R.S.39:3-38; section
28 1 of P.L.1964, c.172 (C.39:3-38.1); R.S.39:3-20; section 1 of
29 P.L.1942, c.192, (C.39:4-128.1); section 2 of P.L.1979, c.438
30 (C.39:4-128.4); and R.S.39:4-129.

31 b. As used in this section, "insurer" means and includes an insurer
32 writing private passenger automobile insurance in the voluntary market
33 and any insurance plan established to provide private passenger

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 automobile insurance pursuant to section 1 of P.L.1970, c.215
2 (C.17:29D-1).
3 (cf: P.L.1995, c.386, s.1)

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5 2. This act shall take effect immediately.

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STATEMENT

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10 This bill prohibits insurers from surcharging an insured for one
11 motor vehicle violation (or other infraction) within the three-year
12 period immediately preceding the issuance or renewal of an automobile
13 insurance policy. Insurers may impose surcharges on other violations
14 that occur within the prior three-year period.

15 The provisions of the bill would not apply to the following
16 violations:

17 # driving while under the influence of drugs or alcohol;

18 # refusing to take a chemical test;

19 # reckless driving;

20 # exceeding the maximum speed by more than 15 miles per
21 hour;

22 # vehicular homicide;

23 # operating a motor vehicle without liability insurance;

24 # operating a motor vehicle while driving privilege is
25 suspended;

26 # involvement in a fatal accident;

27 # making or using counterfeit plates;

28 # making or altering of counterfeit driver's license or
29 registration;

30 # operating a constructor vehicle in excess of 30 miles per hour;

31 # improper passing of a school bus;

32 # improper passing of a frozen dessert truck;

33 # leaving the scene of an accident with no personal injury; and

34 # leaving the scene of an accident with personal injury.

35 The provisions of the bill would only apply to violations that occur
36 on or after the effective date of the bill.

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41 Prohibits automobile insurers from surcharging for certain violations.