

ASSEMBLY, No. 1785

STATE OF NEW JERSEY

INTRODUCED MARCH 25, 1996

By Assemblywoman VANDERVALK

1 AN ACT concerning the nonrenewal of automobile insurance policies
2 and amending P.L.1968, c.158.

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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 4 of P.L.1968, c.158 (C.17:29C-9) is amended to read
8 as follows:

9 4. No insurer shall fail to renew a policy unless it shall mail or
10 deliver to the named insured, at the address shown in the policy, at
11 least [20] 60 days' advance notice of its intention not to renew. This
12 section shall not apply:

13 (a) If the insurer has manifested its willingness to renew; nor

14 (b) In case of nonpayment of premium;

15 provided that, notwithstanding the failure of an insurer to comply
16 with this section, the policy shall terminate on the effective date of any
17 other insurance policy with respect to any automobile designated in
18 both policies.

19 If a named insured qualifies for his insurer's non-standard rate level
20 after having been insured at the standard rate level, the insurer shall
21 mail or deliver to the named insured, at the address shown in the
22 policy, at least 60 days' advance notice of its intention to renew at the
23 non-standard rate level.

24 Renewal of a policy shall not constitute a waiver or estoppel with
25 respect to grounds for cancellation which existed before the effective
26 date of such renewal.

27 (cf: P.L.1968, c.158, s.4)

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29 2. This act shall take effect on the 90th day following enactment.

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31 STATEMENT

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33 This bill provides that automobile insurers must give the named
34 insureds at least 60 days' notice of nonrenewal of an automobile

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

1 insurance policy. This notice provision applies to regular nonrenewals
2 and to those internal nonrenewals by insurers which result in insureds
3 being nonrenewed when an insurer shifts these insureds from policies
4 at the standard rate level to policies at the non-standard rate level.

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9 Requires auto insurers to give 60 days' notice of policy nonrenewal.