

ASSEMBLY CONSUMER AFFAIRS AND REGULATED
PROFESSIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2052

with committee amendments

STATE OF NEW JERSEY

DATED: SEPTEMBER 19, 1996

The Assembly Consumer Affairs and Regulated Professions Committee reports favorably and with committee amendments Assembly Bill No. 2052.

As amended, this bill permits persons with claims against property-casualty and life and health insurance companies to file civil suits when an insurer violates any claim settlement practices standard established by law. The bill supplements the law governing trade practices and unfair settlement practices for property-casualty and life and health insurance companies.

The bill also provides that a violation of any claim settlement practice is a violation of the consumer fraud law, P.L.1960, c.39 (C.56:8-1 et seq.).

The committee amended the bill to stipulate that the provisions of the bill do not apply to any claims under automobile insurance policies that were issued by the New Jersey Automobile Full Insurance Underwriting Association (JUA), or the Market Transition Facility (MTF), or their servicing carriers. The committee also made technical amendments to change references to the Commissioner of Insurance to the Commissioner of Banking and Insurance.