

ASSEMBLY, No. 2695

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 3, 1997

By Assemblymen COHEN and SULIGA

1 AN ACT concerning homeowners insurance.

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

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6 1. No insurer authorized to do business in this State shall utilize  
7 underwriting guidelines which decline, cancel or non-renew a  
8 homeowners insurance policy because of one or more claims or losses  
9 due to weather-related damage or a third-party criminal act.

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11 2. This act shall take effect within 90 days after enactment.

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STATEMENT

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16 This bill provides that no insurer authorized to do business in this  
17 State shall utilize underwriting guidelines which decline, cancel or  
18 non-renew a homeowners insurance policy because of one or more  
19 claims or losses due to weather-related damage or a third-party  
20 criminal act. Currently, insurers may utilize underwriting guidelines  
21 premised on adverse loss experience in determining whether to write  
22 or renew a homeowners insurance policy. Insurers have canceled or  
23 non-renewed homeowners insurance policies based upon claims related  
24 to weather damage or third party criminal acts, all of which are no  
25 fault of the homeowner, and not within the homeowner's control. This  
26 bill would prohibit such practices.

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31 Prohibits declination, cancellation and non-renewal of homeowners  
32 insurance based on certain claims experience.