

§7
C. 54:18-8
§8
Repealer
§9
Note To §§ 1-7

P.L. 1997, CHAPTER 41, *approved March 27, 1997*
Senate, No. 253 (*Second Reprint*)

1 AN ACT concerning the New Jersey State Firemen's Association,
2 amending and repealing various sections of the statutory law, and
3 supplementing Title 54 of the Revised Statutes.

4

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

7

8 1. R.S.54:18-1 is amended to read as follows:

9 54:18-1. Each insurer, not organized under the laws of [this] the
10 State of New Jersey, which takes fire insurance risks on property in
11 this State, shall on or before March 1 in each year, for the period
12 during the 12 months ending December 31 of the preceeding year,
13 cause to be made to the [treasurer] Treasurer of the [duly
14 incorporated firemen's relief association] New Jersey State Firemen's
15 Association, on behalf of each municipality[, portion of a township] or
16 fire district in [which] this State, for any property on which the insurer
17 has taken [a] any fire insurance risk [is] situate therein, a true return
18 in writing, verified by the oath of an officer or representative of the
19 insurer, showing the amount of all premiums received by [the
20 insurer,]or agreed to be paid to[it, during the 12 months ending
21 December 31 of the preceding year, for insurance by] the insurer, for
22 insurance underwritten by that insurer against loss or injury by fire
23 upon real or personal property, [(except automobiles and aircraft
24 unless stored for sale)]except automobiles that are not stored for sale,
25 including loss of use thereof[,],in the municipality, [portion of a
26 township] or fire district. The return also shall contain the Insurance
27 Services Office "ISO" numerical identification code or designation
28 assigned by the New Jersey State Firemen's Association for such
29 municipality or fire district. The insurer shall, on or before March 1

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate SLP committee amendments adopted March 14, 1996.

² Senate amendments adopted in accordance with Governor's recommendations March 10, 1997.

1 of each year, pay to the [treasurer] Treasurer of the New Jersey State
2 Firemen's Association the sum of 2% upon the amount of all the
3 premiums [so] received or agreed to be paid during the 12 months
4 ending December 31 of the preceding year. [Such insurer may, upon
5 prior notice to the treasurer of each duly incorporated firemen's relief
6 association of each municipality, portion of a township or fire district,
7 request any regularly appointed agents of the insurer, or any brokers
8 who may have placed any insurance in the insurer, to make the return
9 and the payment herein provided to be made by the insurer, but any
10 such payment, when brought to the notice of the insurer, may be
11 accounted for by it, under oath, and deducted from any payment so
12 made by it.]

13 If the insurer fails to comply herewith, and the failure is reported to
14 the [commissioner of banking and insurance] Commissioner of
15 Insurance in writing, attested by the oath of the [treasurer] Treasurer
16 of [a duly incorporated firemen's relief association,] the New Jersey
17 State Firemen's Association, then the commissioner shall forthwith
18 revoke the certificate of authority issued to the insurer, and, until the
19 provisions of this chapter have been complied with by the insurer, it
20 shall not transact further business in this State.

21 (cf: P.L.1955, c.204, s.1)

22

23 2. R.S.54:18-2 is amended to read as follows:

24 54:18-2. If [a] any person residing or having an office or place of
25 business in this State [shall], in the capacity either of agent [or] ,
26 broker, or insurer shall effect, or cause to be effected, any insurance,
27 or shall receive any application for the effecting of insurance upon
28 property in [a] any municipality[, portion of a township] or fire district
29 in this State, [which shall have a duly incorporated firemen's relief
30 association,]and shall directly or indirectly place the insurance or
31 cause the same to be placed in an insurer not organized under the laws
32 of this State, the agent [or], broker [may, upon request of the] or
33 insurer[(as set forth in section 54:18-1)]shall make a return to the
34 [treasurer] Treasurer of the [duly incorporated firemen's relief
35 association] New Jersey State Firemen's Association on behalf of the
36 municipality[, portion of a township] or fire district[,]in which the
37 property is situate, as set forth in R.S.54:18-1, on or before March 1
38 in each year[, containing]. The ¹[report] return ¹shall contain an
39 account, under oath, of all premiums received by [him] such agent,
40 broker or insurer, or by any other person for him, or agreed to be paid,
41 during the 12 months ending December 31 of the preceding year, for
42 insurance against loss or injury by fire upon real or personal
43 property[(except automobiles and aircraft unless stored for sale)],
44 except automobiles that are not stored for sale, including loss of use
45 thereof in the municipality[, portion of a township] or fire district[,
46 which insurance shall have been placed by him, or by any other person

1 for him, or at his request, in any insurer not organized under the laws
2 of this State. Such]. The return also shall contain the Insurance
3 Services Office "ISO" numerical identification code or designation
4 assigned by the New Jersey State Firemen's Association of such
5 municipality or fire district. The agent [or] , broker or insurer shall,
6 on or before March 1 of each year, pay to the [treasurer] Treasurer of
7 the [firemen's relief association] New Jersey State Firemen's
8 Association the sum of 2% upon the amount of all the premiums
9 received or agreed to be paid as aforesaid within the 12 months ending
10 December 31 of the preceding year. The Treasurer of the New Jersey
11 State Firemen's Association shall allocate the tax monies received to
12 the appropriate local firemen's relief association incorporated and
13 affiliated with the State association, collected on behalf of the
14 municipality or fire district under the control thereof, and to the Board
15 of Managers of the New Jersey Firemen's Home. Any monies
16 received, allocated or paid by any agent, broker or insurer pursuant to
17 the provisions of this chapter on behalf of any municipality or fire
18 district that does not have a local firemen's relief association affiliated
19 with the New Jersey State Firemen's Association shall be allocated to
20 the New Jersey Firemen's Home in accordance with the provisions of
21 section 7 of P.L. , c. (C.) (now pending before the Legislature
22 as this bill).

23 (cf: P.L.1955, c.204, s.2)

24

25 3. R.S.54:18-3 is amended to read as follows:

26 54:18-3. Every agent [or] , broker, or insurer residing or having an
27 office or [place of business in this State, requested by the insurer to]
28 authorized or licensed to do business in this State shall make the return
29 and payment as set forth in [section] R.S.54:18-2 and shall keep
30 accurate books of account of all business done by him [as agent or
31 broker for which such a return is required, in which shall be put down]
32 . The agent, broker or insurer shall record the name of the insured, the
33 date and expiration of the insurance, a description of the property
34 insured, a statement of its location, including the Insurance Services
35 Office "ISO" numerical identification code or designation of the
36 municipality or fire district, the amount of the insurance and [of the
37 premium] premiums paid therefor. If [any such] an agent [or] , broker
38 or insurer fails, neglects or refuses to comply with any provisions of
39 this chapter, or [in case] if any fraud or dishonesty in the returns[,
40 hereinbefore provided to be made by him,]required pursuant to the
41 provisions of this chapter is apparent or becomes known, the
42 [treasurer] Treasurer of [a duly incorporated firemen's relief
43 association injured thereby may obtain an order from a judge of the
44 Superior Court in the county in which the association is located,]the
45 New Jersey State Firemen's Association, on behalf of the municipality
46 or fire district, may obtain from a judge of the Superior Court, in the

1 county wherein the insured property is located, an order compelling
2 the agent [or] a broker or insurer to produce [in the court his] all
3 books [of] and records required to be kept by this chapter for an
4 [account for] accounting and examination by the court.

5 (cf: P.L.1991, c.91, s.508)

6

7 4. R.S.54:18-4 is amended to read as follows:

8 54:18-4. Any such agent [or] a broker or insurer who fails, neglects
9 or refuses to keep books of account as [aforesaid] required, or to
10 produce them in the Superior Court upon an order of the court, or to
11 make proper and accurate returns as hereinbefore provided, or to pay
12 over the percentage due upon any premium as [aforesaid] required, at
13 the time and in the manner specified in this chapter, or who is found,
14 upon examination by the court, to have made a false return of the
15 business done by him, shall, for each offense, be guilty of a crime of
16 the fourth degree and forfeit and pay the amount owed to the
17 [treasurer] Treasurer of [any duly incorporated firemen's relief
18 association that may be injured by his failure, neglect or refusal, or by
19 the making of the false returns, the sum of \$500.00] the New Jersey
20 State Firemen's Association.

21 (cf: P.L.1991, c.91, s.509)

22

23 5. R.S.54:18-5 is amended to read as follows:

24 54:18-5. If any such agent [or] a broker or insurer fails, neglects or
25 refuses to pay any percentage herein provided for, or to pay and
26 satisfy any forfeiture or penalty adjudged to be due under the
27 provisions of this chapter, and that fact is reported to the
28 [commissioner banking and insurance] Commissioner of Insurance in
29 writing, attested by the oath of the [treasurer] Treasurer of [a duly
30 incorporated firemen's relief association] the New Jersey State
31 Firemen's Association, the commissioner shall forthwith revoke any
32 certificate of authority previously issued under which the failure has
33 occurred. The revocation of a certificate shall not release any penalty
34 or forfeiture previously incurred.

35 (cf: P.L.1955, c.204, s.5)

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37 6. R.S.54:18-7 is amended to read as follows:

38 54:18-7. This chapter shall not alter or abridge any reciprocal
39 legislation existing between different states of the United States, in
40 regard to the percentage of taxes collected [by the state tax
41 commissioner of this state, but the amount of premiums paid by any
42 insurance company to the treasurer of any duly incorporated firemen's
43 relief association in this state shall be deemed a part of the reciprocal
44 tax to be collected by the state tax commissioner of this state] and
45 received for this State. The amount of premiums paid by any
46 insurance company pursuant to this chapter shall be deemed part of the

1 reciprocal tax to be collected for this State. The Commissioner of
2 Insurance, in consultation with the Treasurer of the State of New
3 Jersey, shall enforce the provisions of this chapter and shall require the
4 Treasurer of the New Jersey State Firemen's Association to provide a
5 certified annual accounting of the monies received and allocated under
6 the provisions of this chapter and R.S.43:17-1 et seq., and shall hold
7 the treasurer and officers accountable and subject to the penalties
8 provided herein.

9 (cf: R.S.54:18-7)

10

11 7. (New section) All monies received by the Treasurer of the New
12 Jersey State Firemen's Association from the 2% tax on fire insurance
13 premiums paid by insurance companies not organized in this State, on
14 behalf of municipalities or fire districts which do not have a duly
15 incorporated local firemen's relief association affiliated with the State
16 Association under R.S.43:17-2 et seq., shall be dedicated to the New
17 Jersey Firemen's Home. Upon adoption of the budget, subject to the
18 approval of the Governor, in accordance with R.S.30:7-1 et seq., these
19 funds shall be allocated to the Board of Managers for the operation of
20 the New Jersey Firemen's Home. A certified copy of the budget
21 approved by the Governor shall be filed immediately with the
22 Treasurer of the New Jersey State Firemen's Association.

23 The Treasurer of the New Jersey State Firemen's Association shall
24 return to the general fund of the State Association the balance of the
25 monies not required for the annual operation of the New Jersey
26 Firemen's Home.

27 If there are not sufficient funds in the account for the annual
28 operating expenses of the New Jersey Firemen's Home in accordance
29 with R.S.30:7-1 et seq., the Board of Managers of the New Jersey
30 Firemen's Home shall certify the amount of the deficiency to the
31 Treasurer of the New Jersey State Firemen's Association. The
32 certification shall be filed before the fiscal year for the New Jersey
33 Firemen's Home commences. The certification shall set forth the
34 specific sum necessary to fund the operational expenses of the New
35 Jersey Firemen's Home. The Operational Budget shall include all
36 necessary costs for the maintenance and operation of the home,
37 including purchase of equipment. Upon receipt of the certification, the
38 Treasurer of the New Jersey State Firemen's Association shall pay the
39 certified amount to the New Jersey Firemen's Home no later than May
40 1 of each year.

41 The procedure set forth below shall be followed if the Board of
42 Managers proposes a capital project consisting of a building addition
43 to the New Jersey Firemen's Home or the construction of a new
44 facility:

45 a. At least 30 days before the capital project is submitted to the
46 Governor, the Board of Managers of the New Jersey Firemen's Home

1 shall submit to the officers and executive committee of the New Jersey
2 State Firemen's Association, a description of the proposed project, and
3 costs thereof, including future operational costs. Within 30 days of
4 receipt of the notice the officers of the New Jersey Firemen's Home
5 and New Jersey State Firemen's Association shall approve or
6 disapprove the funding necessary therefor. After the project has been
7 approved or disapproved, the executive committee shall meet in a
8 special executive session to confirm the action of the officers.

9 b. If the officers or the executive committee disapproves the
10 proposed capital project, the board of managers or the officers may
11 appeal to the Commissioner of Insurance who shall issue a final
12 decision within 30 days, but in any event not later than November 1 of
13 any year. The budget then shall be submitted to the Governor for
14 approval pursuant to law.

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16 8. The following are hereby repealed:

17 N.J.S.54:17-4 through 54:17-5;

18 N.J.S.54:18-6;

19 Section 6 of P.L.1955, c.204 (C.54:18-1.1).

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22 9. This act shall take effect ²[immediately] on July 1, 1997².

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28 Revises procedures concerning collection and distribution of funds by
New Jersey State Firemen's Association.