SENATE, No. 374

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Senator MacINNES

AN ACT concerning at-fault accident surcharges and amending P.L.1990, c.8.

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

1. Section 26 of P.L.1990, c.8 (C.17:33B-14) is amended to read as follows:

26. The commissioner shall, within 90 days of the effective date of this act, promulgate a schedule of automobile insurance eligibility points by rule or regulation adopted pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.). The schedule shall assess a point valuation to driving experience related violations and shall include assessments for violations of lawful speed limits within such increments as determined by the commissioner, other moving violations, and at-fault accidents. For the purposes of this section, an "at-fault accident" means an at-fault accident which results in payment by the insurer of at least a**[**$500**]** $1,000 claim, which amount shall be adjusted annually on January 1 of each year following the effective date of this 1995 amendatory act by the Commissioner of Insurance to reflect increases or decreases in the automobile maintenance and repair components of the national Consumer Price Index, U.S. City Average, and the adjusted amount shall apply to automobile accidents occurring on or after the adjustment date.

(cf: P.L.1990, c.8, s.26)

2. This act shall take effect immediately and apply to automobile accidents occurring on or after the effective date.

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.

STATEMENT

This bill raises from $500 to $1,000 the monetary threshold for an automobile at-fault accident surcharge. Currently, for an insurer to apply an accident surcharge under the automobile insurance eligibility points schedule the at-fault accident must result in the insurer paying at least a $500 claim. This bill raises that amount to $1,000 and, in addition, indexes the amount to the automobile maintenance and repair components of the national Consumer Price Index, U.S. City Average.

Raises monetary threshold for at-fault accident surcharges to $1,000 with index.