

SENATE, No. 1358

STATE OF NEW JERSEY

INTRODUCED JUNE 20, 1996

By Senators SCOTT, LaROSSA, Singer, Connors and Inverso

1 AN ACT concerning automobile insurance and revising various parts
2 of the statutory law.

3

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

6

7 1. Section 1 of P.L.1972, c.197 (C.39:6B-1) is amended to read as
8 follows:

9 1. Every owner or registered owner of a motor vehicle, other than
10 an automobile, registered or principally garaged in this State shall
11 maintain motor vehicle liability insurance coverage, under provisions
12 approved by the Commissioner of Insurance, insuring against loss
13 resulting from liability imposed by law for bodily injury, death and
14 property damage sustained by any person arising out of the ownership,
15 maintenance, operation or use of a motor vehicle, other than an
16 automobile, wherein such coverage shall be at least in: a. an amount
17 or limit of \$15,000.00, exclusive of interest and costs, on account of
18 injury to, or death of, one person, in any one accident; and b. an
19 amount or limit, subject to such limit for any one person so injured or
20 killed, of \$30,000.00, exclusive of interest and costs, on account of
21 injury to or death of, more than one person, in any one accident; and
22 c. an amount or limit of \$5,000.00, exclusive of interest and costs, for
23 damage to property in any one accident.

24 For purposes of this section, "automobile" means a private
25 passenger automobile of a private passenger or station wagon type
26 that is owned or hired and is neither used as a public or livery
27 conveyance for passengers nor rented to others with a driver; and a
28 motor vehicle with a pickup body, a delivery sedan, a van, or a panel
29 truck or a camper type vehicle used for recreational purposes owned
30 by an individual or by husband and wife who are residents of the same
31 household, not customarily used in the occupation, profession or
32 business of the insured other than farming or ranching. An
33 automobile owned by a farm family copartnership or corporation,
34 which is principally garaged on a farm or ranch and otherwise meets

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 the definitions contained in this section, shall be considered a private
2 passenger automobile owned by two or more relatives resident in the
3 same household.

4 (cf: P.L.1972, c.197, s.1)

5

6 2. Section 2 of P.L.1972, c.197 (C.39:6B-2) is amended to read as
7 follows:

8 2. Any owner or registrant of a motor vehicle, other than an
9 automobile as defined in section 1 of P.L.1972, c.197 (C.39:6B-1),
10 registered or principally garaged in this State who operates or causes
11 to be operated a motor vehicle, other than an automobile, upon any
12 public road or highway in this State without motor vehicle liability
13 insurance coverage required by this act, and any operator who
14 operates or causes a motor vehicle, other than an automobile, to be
15 operated and who knows or should know from the attendant
16 circumstances that the motor vehicle is without motor vehicle liability
17 insurance coverage required by this act shall be subject, for the first
18 offense, to a fine of \$300.00 and a period of community service to be
19 determined by the court, and shall forthwith forfeit his right to
20 operate a motor vehicle over the highways of this State for a period of
21 one year from the date of conviction. Upon subsequent conviction, he
22 shall be subject to a fine of \$500.00 and shall be subject to
23 imprisonment for a term of 14 days and shall be ordered by the court
24 to perform community service for a period of 30 days, which shall be
25 of such form and on such terms as the court shall deem appropriate
26 under the circumstances, and shall forfeit his right to operate a motor
27 vehicle for a period of two years from the date of his conviction, and,
28 after the expiration of said period, he may make application to the
29 Director of the Division of Motor Vehicles for a license to operate a
30 motor vehicle, which application may be granted at the discretion of
31 the director. The director's discretion shall be based upon an
32 assessment of the likelihood that the individual will operate or cause
33 a motor vehicle other than an automobile, to be operated in the
34 future without the insurance coverage required by this act. A
35 complaint for violation of this act may be made to a municipal court
36 at any time within six months after the date of the alleged offense.

37 Failure to produce at the time of trial an insurance identification
38 card or an insurance policy which was in force for the time of
39 operation for which the offense is charged, creates a rebuttable
40 presumption that the person was uninsured when charged with a
41 violation of this section.

42 [Notwithstanding any provision of P.L.1972, c.197 (C.39:6B-1 et
43 seq.), any person who violates the provisions of that act, from October
44 1, 1990 through January 31, 1991, shall not be subject to any of the
45 penalties or sanctions provided for a first violation of that act if that
46 person produces at the time of trial an insurance identification card or

1 a motor vehicle liability insurance policy which is in force at the time
2 of the trial and the conviction for that person's offense would be the
3 person's first conviction for an offense under that act. The
4 Commissioner of Insurance shall appropriately promote and advertise
5 this limited time amnesty program for first-time offenses under that act
6 throughout the State.]

7 (cf: P.L.1990, c.8, s.49)

8

9 3. Section 2 of P.L.1968, c.385 (C.17:28-1.1) is amended to read
10 as follows:

11 2. a. No motor vehicle liability policy or renewal of such policy of
12 insurance, including a liability policy for an automobile as defined in
13 section [2 of P.L.1972, c.70 (C.39:6A-2)] 1 of P.L.1972, c.197
14 (C.39:6B-1), insuring against loss resulting from liability imposed by
15 law for bodily injury or death, sustained by any person arising out of
16 the ownership, maintenance or use of a motor vehicle, shall be issued
17 in this State with respect to any motor vehicle registered or principally
18 garaged in this State unless it includes coverage in limits for bodily
19 injury or death as follows:

20 (1) an amount or limit of \$15,000.00, exclusive of interest and
21 costs, on account of injury to, or death of, one person, in any one
22 accident, and

23 (2) an amount or limit, subject to such limit for any one person so
24 injured or killed, of \$30,000.00, exclusive of interest and costs, on
25 account of injury to or death of more than one person, in any one
26 accident,

27 under provisions approved by the Commissioner of Insurance, for
28 payment of all or part of the sums which the insured or his legal
29 representative shall be legally entitled to recover as damages from the
30 operator or owner of an uninsured motor vehicle, or hit and run motor
31 vehicle, as defined in section 16 of P.L.1952, c.174 (C.39:6-78),
32 because of bodily injury, sickness or disease, including death resulting
33 therefrom, sustained by the insured, caused by accident and arising out
34 of the ownership, maintenance or use of such uninsured or hit and run
35 motor vehicle anywhere within the United States or Canada [; except
36 that uninsured motorist coverage shall provide that in order to recover
37 for non-economic loss, as defined in section 2 of P.L.1972, c.70
38 (C.39:6A-2), for accidents to which the benefits of section 4
39 (C.39:6A-4) of that act apply, the tort option elected pursuant to
40 section 8 (C. 39:6A-8) of that act shall apply to that injured person].

41 All motor vehicle liability policies shall also include coverage for
42 the payment of all or part of the sums which persons insured
43 thereunder shall be legally entitled to recover as damages from owners
44 or operators of uninsured motor vehicles, other than hit and run motor
45 vehicles, because of injury to or destruction to the personal property
46 of such insured, with a limit in the aggregate for all insureds involved

1 in any one accident of \$5,000.00, and subject, for each insured, to an
2 exclusion of the first \$500.00 of such damages.

3 b. Uninsured and underinsured motorist coverage shall be provided
4 as an option by an insurer to the named insured up to at least the
5 following limits: \$250,000.00 each person and \$500,000.00 each
6 accident for bodily injury; \$100,000.00 each accident for property
7 damage or \$500,000.00 single limit, subject to an exclusion of the first
8 \$500.00 of such damage to property for each accident, except that the
9 limits for uninsured and underinsured motorist coverage shall not
10 exceed the insured's motor vehicle liability policy limits for bodily
11 injury and property damage, respectively.

12 Rates for uninsured and underinsured motorist coverage for the
13 same limits shall, for each filer, be uniform on a Statewide basis
14 without regard to classification or territory.

15 c. Uninsured and underinsured motorist coverage provided for in
16 this section shall not be increased by stacking the limits of coverage of
17 multiple motor vehicles covered under the same policy of insurance
18 nor shall these coverages be increased by stacking the limits of
19 coverage of multiple policies available to the insured. If the insured
20 had uninsured motorist coverage available under more than one policy,
21 any recovery shall not exceed the higher of the applicable limits of the
22 respective coverages and the recovery shall be prorated between the
23 applicable coverages as the limits of each coverage bear to the total of
24 the limits.

25 d. Uninsured and underinsured motorist coverage shall be subject
26 to the policy terms, conditions and exclusions approved by the
27 Commissioner of Insurance, including, but not limited to, unauthorized
28 settlements, nonduplication of coverage, subrogation and arbitration.

29 e. For the purpose of this section, (1) "underinsured motorist
30 coverage" means insurance for damages because of bodily injury and
31 property damage resulting from an accident arising out of the
32 ownership, maintenance or use of an underinsured motor vehicle.
33 Underinsured motorist coverage shall not apply to an uninsured motor
34 vehicle. A motor vehicle is underinsured when the sum of the limits
35 of liability under all bodily injury and property damage liability bonds
36 and insurance policies available to a person against whom recovery is
37 sought for bodily injury or property damage is, at the time of the
38 accident, less than the applicable limits for underinsured motorist
39 coverage afforded under the motor vehicle insurance policy held by the
40 person seeking that recovery. A motor vehicle shall not be considered
41 an underinsured motor vehicle under this section unless the limits of
42 all bodily injury liability insurance or bonds applicable at the time of
43 the accident have been exhausted by payment of settlements or
44 judgments. The limits of underinsured motorist coverage available to
45 an injured person shall be reduced by the amount he has recovered
46 under all bodily injury liability insurance or bonds;

1 (2) "uninsured motor vehicle" means:

2 (a) a motor vehicle with respect to the ownership, operation,
3 maintenance, or use of which there is no bodily injury liability
4 insurance or bond applicable at the time of the accident;

5 (b) a motor vehicle with respect to the ownership, operation,
6 maintenance, or use of which there is bodily injury liability insurance
7 in existence but the liability insurer denies coverage or is unable to
8 make payment with respect to the legal liability of its insured because
9 the insurer has become insolvent or bankrupt, or the Commissioner of
10 Insurance has undertaken control of the insurer for the purpose of
11 liquidation; or

12 (c) a hit and run motor vehicle as described in section 18 of
13 P.L.1952, c.174 (C.39:6-78).

14 "Uninsured motor vehicle" shall not include an underinsured motor
15 vehicle; a motor vehicle owned by or furnished for the regular use of
16 the named insured or any resident of the same household; a self-insurer
17 within the meaning of any financial responsibility or similar law of the
18 state in which the motor vehicle is registered or principally garaged;
19 a motor vehicle which is owned by the United States or Canada, or a
20 state, political subdivision or agency of those governments or any of
21 the foregoing; a land motor vehicle or trailer operated on rails or
22 crawler treads; a motor vehicle used as a residence or stationary
23 structure and not as a vehicle; or equipment or vehicles designed for
24 use principally off public roads, except while actually upon public
25 roads.

26 (cf: P.L.1988, c.119, s.11)

27

28 4. Section 8 of P.L.1985, c.520 (C.17:28-1.4) is amended to read
29 as follows:

30 8. Any insurer authorized to transact or transacting [automobile
31 or] motor vehicle insurance business, other than automobile insurance
32 business, in this State, or controlling or controlled by, or under
33 common control by, or with, an insurer authorized to transact or
34 transacting insurance business in this State, which sells a policy
35 providing [automobile or] motor vehicle liability insurance coverage,
36 or any similar coverage, other than automobile insurance coverage, in
37 any other state or in any province of Canada, shall include in each
38 motor vehicle liability insurance policy, other than an automobile
39 liability insurance policy, coverage to satisfy at least the liability
40 insurance requirements of section 1 of P.L.1972, c.197 (C.39:6B-1)
41 [or section 3 of P.L.1972, c.70 (C.39:6A-3),] and the uninsured
42 motorist insurance requirements of subsection a. of section 2 of
43 P.L.1968, c.385 (C.17:28-1.1), [and personal injury protection
44 benefits coverage pursuant to section 4 of P.L.1972, c.70 (C.39:6A-4)
45 or of section 19 of P.L.1983, c.362 (C.17:28-1.3),] whenever the
46 [automobile or] motor vehicle other than an automobile insured under

1 the policy is used or operated in this State.

2 Any liability insurance policy subject to this section shall be
3 construed as providing the coverage required herein [, and any named
4 insured, and any immediate family member as defined in section 14.1
5 of P.L.1983, c.362 (C.39:6A-8.1), under that policy, shall be subject
6 to the tort option specified in subsection a. of section 8 of P.L.1972,
7 c.70 (C.39:6A-8)].

8 Each insurer authorized to transact or transacting [automobile or]
9 motor vehicle insurance business other than automobile insurance
10 business, in this State and subject to the provisions of this section
11 shall, within 30 days of the effective date of P.L.1985, c.520, file and
12 maintain with the Department of Insurance written certification of
13 compliance with the provisions of this section.

14 "Automobile" means an automobile as defined in section [2 of
15 P.L.1972, c.70 (C.39:6A-2)] 1 of P.L.1972, c.197 (39:6B-1).
16 (cf: P.L.1988, c.119, s.1)

17

18 5. Section 3 of P.L.1952, c.173 (C.39:6-25) is amended to read as
19 follows:

20 3. (a) If 20 days after the receipt of a report of a motor vehicle
21 accident within this State which has resulted in bodily injury or death,
22 or damage to the property of any one person in excess of \$500.00, the
23 director does not have on file evidence satisfactory to him that the
24 person who would otherwise be required to file security under
25 subsection (b) of this section has been released from liability, or has
26 been finally adjudicated not to be liable, or has executed a duly
27 acknowledged written agreement providing for the payment of an
28 agreed amount in installments with respect to all claims for injuries or
29 damages resulting from the accident, [and in the event of an accident
30 involving an automobile, required to have coverage for personal injury
31 protection benefits pursuant to P.L.1972, c.70 (C.39:6A-1 et seq.), has
32 also reimbursed or has executed a duly acknowledged written
33 agreement to pay an agreed amount in installments to reimburse the
34 Unsatisfied Claim and Judgment Fund for the payment of all personal
35 injury protection benefits the fund has made or shall make pursuant to
36 section 7 or section 10 of P.L.1972, c.198 (C.39:6-86.1 and
37 C.39:6-86.4) by reason of the failure of such person to have the
38 requisite insurance coverage in effect,] the director shall determine the
39 amount of security which may be necessary in his judgment to satisfy
40 any reimbursement, judgment or judgments for damages resulting from
41 such accident as may be recovered against each operator or owner in
42 view of the total insurance protection available to the injured party.
43 The Director of the Division of Motor Vehicles shall promulgate such
44 rules as may be necessary to set forth those instances where deposit of
45 security is necessary.

46 (b) The director may, within 90 days after the receipt of such

1 report of a motor vehicle accident, suspend the license of each
2 operator and all registrations of each owner of a motor vehicle in any
3 manner involved in such accident, and if such operator is a nonresident
4 the privilege of operating a motor vehicle within this State, and if such
5 owner is a nonresident the privilege of the use within this State of any
6 motor vehicle owned by him, unless such operator or owner or both
7 shall deposit security in the sum so determined by the director;
8 provided, notice of such suspension shall be sent by the director to
9 such operator and owner not less than 10 days prior to the effective
10 date of such suspension and shall state the amount required as
11 security. Where erroneous information is given the director with
12 respect to the matters set forth in paragraph (1), (2) or (3) of
13 subsection (c) of this section, he may take appropriate action as
14 hereinbefore provided, within 90 days after receipt by him of correct
15 information with respect to said matters.

16 (c) This section shall not apply under the conditions stated in
17 section 4 of this act nor:

18 (1) To such operator or owner, if such owner had in effect, at the
19 time of such accident, a motor vehicle liability policy with respect to
20 the motor vehicle involved in such accident;

21 (2) To such operator, if not the owner of such motor vehicle, if
22 there was in effect at the time of such accident a motor vehicle liability
23 policy or bond with respect to his operation of motor vehicles not
24 owned by him;

25 (3) To such operator or owner if the liability of such operator or
26 owner for damages resulting from such accident is, in the judgment of
27 the director, covered by any other form of liability insurance policy or
28 bond; nor

29 (4) To any person qualifying as a self-insurer under section 30 of
30 this act, or to any person operating a motor vehicle for such
31 self-insurer.

32 No such policy or bond shall be effective under this section unless
33 issued by an insurance company or surety company authorized to do
34 business in this State, except that if such motor vehicle was not
35 registered in this State, or was a motor vehicle which was registered
36 elsewhere than in this State at the effective date of the policy or bond,
37 or the most recent renewal thereof, such policy or bond shall not be
38 effective under this section unless the insurance company or surety
39 company if not authorized to do business in this State shall execute a
40 power of attorney authorizing the director to accept service on its
41 behalf of notice or process in any action upon such policy or bond
42 arising out of such accident; provided, however, every such policy or
43 bond is subject, if the accident has resulted in bodily injury or death,
44 to a limit, exclusive of interest and costs, of not less than \$15,000.00
45 because of bodily injury to or death of one person in any one accident
46 and, subject to said limit for one person, to a limit of not less than

1 \$30,000.00 because of bodily injury to or death of two or more
2 persons in any one accident, and, if the accident has resulted in injury
3 to or destruction of property, to a limit of not less than \$5,000.00
4 because of injury to or destruction of property of others in any one
5 accident [and if policy or bond is applicable to an automobile required
6 to have coverage for personal injury protection benefits pursuant to
7 P.L.1972, c.70 (C.39:6A-1 et seq.), it shall include an amount to cover
8 personal injury protection benefits as required by that act].
9 (cf: P.L.1988, c.119, s.12)

10

11 6. Section 4 of P.L.1952, c.173 (C.39:6-26) is amended to read as
12 follows:

13 4. The requirements as to security and suspension in section 3 of
14 this act shall not apply:

15 (a) to the operator or the owner of a motor vehicle involved in an
16 accident wherein no injury or damage was caused to the person or
17 property of any one other than such operator or owner;

18 (b) to the operator or the owner of a motor vehicle legally parked
19 at the time of the accident;

20 (c) to the owner of a motor vehicle if at the time of the accident the
21 vehicle was being operated without his permission, express or implied,
22 or was parked by a person who had been operating such motor vehicle
23 without such permission; or to the operator if he was a chauffeur or
24 operator employed by the owner of the motor vehicle and was
25 operating with the permission of the owner[.];

26 (d) if, prior to the date that the director would otherwise suspend
27 license and registration or nonresident's operating privilege under
28 section 3 of this act, there shall be filed with the director evidence
29 satisfactory to him that the person who would otherwise have to file
30 security has been released from liability or been finally adjudicated not
31 to be liable or has executed a duly acknowledged written agreement
32 providing for the payment of an agreed amount in installments, with
33 respect to all claims for injuries or damages resulting from the accident
34 [and with respect to an accident involving an automobile, required to
35 have coverage for personal injury protection benefits pursuant to
36 P.L.1972, c.70, has also reimbursed or executed a duly acknowledged
37 written agreement to pay an agreed amount in installments to
38 reimburse the Unsatisfied Claim and Judgment Fund for the payments
39 it has made or shall make pursuant to section 7 or section 10 of P.L.,
40 c. (Assembly Bill No. 803 presently pending in the Legislature) by
41 reason of the failure of such person to have the requisite insurance
42 coverage in effect].

43 (cf: P.L.1972, c.199, s.2)

44

45 7. Section 5 of P.L.1952, c.173 (C.39:6-27) is amended to read as
46 follows:

1 5. The license and registration and nonresident's operating privilege
2 suspended as provided in section [three] 3 of this act shall remain so
3 suspended and shall not be renewed nor shall any such license or
4 registration be issued to such person until:

5 (a) such person shall deposit or there shall be deposited on his
6 behalf the security required under said section 3 of this act; or

7 (b) one year shall have elapsed following the date of such
8 suspension and evidence satisfactory to the director has been filed with
9 him that during such period no action for damages arising out of the
10 accident has been instituted; or

11 (c) evidence satisfactory to the director has been filed with him of
12 a release from liability, or a final adjudication of nonliability, or a duly
13 acknowledged written agreement, in accordance with section 4(d) of
14 P.L.1952, c.173 (C.39:6-26) [and with respect to an automobile
15 required to have coverage for personal injury protection benefits
16 pursuant to P.L.1972, c.70 has filed evidence satisfactory to the
17 director that he has also met the additional requirements of section
18 4(d) of P.L.1952, c. 173 (C.39:6-26) pertaining to such automobile];
19 provided, however, in the event there shall be any default in the
20 payment of any installment under any duly acknowledged written
21 agreement, then, upon notice of such default, the director shall
22 forthwith suspend the license and registration or nonresident's
23 operating privilege of such person defaulting which shall not be
24 restored unless [and until]

25 (1) such person deposits and thereafter maintains security as
26 required under said section 3 of this act in such amount as the director
27 may then determine; or

28 (2) one year shall have elapsed following the date when such
29 security was required and during such period no action upon such
30 agreement has been instituted in a court in this State.

31 Subsections 5(b) and 5(c)(1) of this section shall not apply to
32 amounts in reimbursement of the Unsatisfied Claim and Judgment
33 Fund which remain unpaid after [1] one year.

34 (cf: P.L.1972, c.199, s.3)

35
36 8. Section 8 of P.L.1952, c.173 (39:6-30) is amended to read as
37 follows:

38 8. Security deposited in compliance with the requirements of this
39 act shall be applicable only to the payment of a judgment or judgments
40 rendered against the person or persons on whose behalf the deposit
41 was made, for damages arising out of the accident in question in a civil
42 action, begun not later than [1] one year after the date of such
43 accident, or within [1] one year after the date of deposit of any
44 security under subparagraph (c) of section 5 of this act, or to the
45 payment in settlement, agreed to by the depositor, of a claim or claims
46 arising out of such accident [or to the reimbursement of the

1 Unsatisfied Claim and Judgment Fund for the payment of personal
2 injury protection benefits pursuant to section 7 or section 10 of P.L.,
3 c. (Assembly Bill No. 803 presently pending in the Legislature)]. Such
4 deposit or any balance thereof shall be returned to the depositor or his
5 personal representative when evidence satisfactory to the director has
6 been filed with him that there has been a release from liability, or a
7 final adjudication of nonliability, or a duly acknowledged agreement
8 in accordance with subparagraph (d) of section 4 of this act [, and in
9 the event of an accident involving an automobile required to have
10 coverage for personal injury protection benefits pursuant to P.L.1972,
11 c.70, if the depositor has also met the additional requirements of
12 section 4(d) of P.L.1952, c.173 (C.39:6-26) pertaining to such
13 automobile] or whenever, after the expiration of 1 year (1) from the
14 date of the accident, or (2) from the date of any security under
15 subparagraph (c) of section 5 of this act, the director shall be given
16 reasonable evidence that there is no such action pending and no
17 judgment rendered in such action left unpaid [and no amount in
18 reimbursement, to the Unsatisfied Claim and Judgment Fund for
19 payment of personal injury protection benefits, remains unpaid by such
20 person].

21 (cf: P.L.1972, c.199, s.4)

22

23 9. Section 13 of P.L.1952, c.173 (C.39:6-35) is amended to read
24 as follows:

25 13. If a person fails to pay and satisfy every judgment rendered
26 against him for damages because of personal injury or death, or
27 damage to property in excess of \$500.00, resulting from the
28 ownership, maintenance, use or operation of a motor vehicle and every
29 judgment based on an agreement or contract made in settlement of
30 damages arising out of a motor vehicle accident, within 60 days after
31 its entry, or if an appeal is taken therefrom within that time, within 60
32 days after the judgment as entered or modified becomes final, the
33 operator's license and all registration certificates of any such person,
34 other than a chauffeur or operator employed by the owner of a motor
35 vehicle and so acting at the time of the damage, injuries or death
36 resulting in the judgment, shall, upon receiving a certified copy of a
37 transcript of the final judgment from the court in which it was
38 rendered showing it to have been still unsatisfied more than 60 days
39 after it became final, be forthwith suspended by the director.

40 If the director is satisfied that a judgment debtor or his insurance
41 carrier was, within the said 60-day period, ready, willing and able to
42 pay the said judgment but was prevented from so doing by reason of
43 the refusal or legal inability of the judgment creditor to accept
44 payment, or that the failure to pay said judgment within the said
45 60-day period was due to the act or neglect of the judgment debtor's
46 insurance carrier and not to any fault of the judgment debtor then the

1 director may, in his discretion, extend the 60-day limitation herein
2 prescribed for any reasonable time necessary to complete the formality
3 of payment of the judgment and shall not suspend the judgment
4 debtor's driver's license, operating privilege or certificate of
5 registration.

6 The judgment herein mentioned shall be a judgment of a court of
7 competent jurisdiction of this State or any other state or of a District
8 Court of the United States.

9 The license and registration certificates shall remain so suspended
10 and shall not be renewed, nor shall a motor vehicle be thereafter
11 registered in the name of that person while the judgment remains
12 unstayed, unsatisfied, subsisting and until every such judgment is
13 satisfied or discharged, and the person gives proof of financial
14 responsibility to respond in damages for future accidents as required
15 pursuant to section 17 of P.L. , c. (C.)(pending in the
16 Legislature as this bill), except that in the event that the judgment
17 debtor shall be relieved of liability for payment of said judgment by an
18 adjudication of the court in which the same was entered, or if the right
19 to enforce said judgment by docketing and revival, or by revival, or by
20 bringing an action thereon, shall have expired without such revival or
21 the bringing of any such action thereon, the judgment debtor's license
22 shall be restored to him, and one or more motor vehicles may be
23 registered in his name, upon application to the Division of Motor
24 Vehicles.

25 A discharge in bankruptcy shall relieve the judgment debtor from
26 any of the requirements of this act, except proof of financial
27 responsibility as required pursuant to section 17 of P.L., c.
28 (C.)(pending in the Legislature as this bill), provided that the
29 underlying judgment was not based on a willful or malicious tort.

30 The clerk of the court in which the judgment is rendered, or the
31 court where it has no clerk, shall forward to the director, at the
32 request of the judgment creditor or his attorney, after the expiration
33 of the 60 days a certified copy of the judgment or a transcript thereof,
34 as aforesaid.

35 Upon the filing with the court of proof of satisfaction or discharge
36 of a judgment, the nonpayment of which has been previously certified
37 to the director, the clerk of the court, or the court where it has no
38 clerk shall immediately forward notice of such satisfaction or discharge
39 to the director.

40 If the defendant is a nonresident the director shall transmit to the
41 officer in charge of the issuance of driver licenses and registration
42 certificates of the state of which the defendant is a resident a certified
43 copy of the judgment.

44 If after proof is given, another such judgment is recovered against
45 that person for an accident occurring before the proof was given, the
46 license and certificate shall again be and remain suspended, and no

1 other license or certificate shall be issued to him while the judgment
2 so remains unsatisfied and subsisting.

3 (cf: P.L.1988, c.119, s.13)

4

5 10. Section 14 of P.L.1952, c.173 (C.39:6-36) is amended to read
6 as follows:

7 14. While a final judgment against a nonresident motor vehicle
8 owner or operator is so unstayed, unsatisfied and subsisting for more
9 than 60 days, his privilege of operating a motor vehicle, whether
10 owned by him or not, in this State, shall be withdrawn and shall not be
11 renewed. No operator's or chauffeur's license shall be issued to him
12 nor shall a motor vehicle be registered in his name until every such
13 judgment is stayed, satisfied or discharged as herein provided, and he
14 has given proof of financial responsibility to respond in damages for
15 future accidents as required pursuant to section 17 of P.L. , c.
16 (C.)(pending in the Legislature as this bill).

17 (cf: P.L.1979, c.169, s.2)

18

19 11. Section 16 of P.L.1952, c.173 (C.39:6-38) is amended to read
20 as follows:

21 16. For the purposes of sections [9 to] 13 and 14 of this act and
22 sections 17 through 20 of P.L. , c. (C.)(pending in the
23 Legislature as this bill), when:

24 (a) \$10,000.00 has been credited upon any judgment or judgments
25 rendered in excess of that amount for bodily injury to or the death of
26 [1] one person as the result of [1] one accident;

27 (b) Subject to the limit of \$10,000.00 for [1] one person so injured
28 or killed, the sum of \$20,000.00 has been credited upon any judgment
29 or judgments rendered in excess of that amount for bodily injury to or
30 the death of more than [1] one person as the result of [1] one
31 accident; or

32 (c) \$5,000.00 has been credited upon any judgment or judgments
33 rendered in excess of that amount for damage to property as the result
34 of [1] one accident--

35 Such payment or payments shall be deemed a satisfaction of the
36 judgment or judgments.

37 (cf: P.L.1958, c.95, s.4)

38

39 12. Section 17 of P.L.1952, c.173 (C.39:6-39) is amended to read
40 as follows:

41 17. A judgment debtor to whom this chapter applies may, for the
42 sole purpose of giving authority to the director to authorize the
43 judgment debtor to operate a motor vehicle thereafter, on due notice
44 to the judgment creditor, apply to the court in which the trial judgment
45 was obtained for the privilege of paying the judgment in installments.
46 The court, in its discretion and without prejudice to any other legal

1 remedies which the judgment creditor may have, may so order, fixing
2 the amounts and times of payment of the installments. The director
3 may, in his discretion, while the judgment debtor is not in default in
4 paying the installments, and upon his giving proof of financial
5 responsibility to respond for future accidents as required pursuant to
6 section 17 of P.L. , c. (C.)(pending in the Legislature as this
7 bill), restore, or refrain from suspending his license or registration
8 certificate or certificates, or either or both of them. The license or
9 certificate or certificates, or either or both or all of them, shall be
10 suspended as hereinbefore provided when the director is satisfied that
11 the judgment debtor has failed to comply with the terms of the court
12 order.

13 (cf: P.L.1979, c.169, s.4)

14

15 13. Section 3 of P.L.1952, c.174 (C.39:6-63) is amended to read
16 as follows:

17 3. For the purpose of creating and maintaining the fund:

18 (a) (Deleted by amendment, P.L.1968, c.323, s.3.)

19 (b) (Deleted by amendment, P.L.1968, c.323, s.3.)

20 (c) (Deleted by amendment, P.L.1968, c.323, s.3.)

21 (d) On December 30 in each year, the commissioner shall calculate
22 the probable amount which will be needed to carry out the provisions
23 of this act during the ensuing registration license year. In such
24 calculation, he shall take into consideration the amount presently
25 reserved for pending claims, anticipated payments from the fund
26 during said year, anticipated payments from the fund for medical
27 expenses to be made pursuant to section 2 of P.L.1977, c.310
28 (C.39:6-73.1), during the two years after said year, anticipated
29 amounts to be reserved for claims pending during said year, amounts
30 transferred to the Division of Motor Vehicles pursuant to section 28
31 of P.L.1952, c.174 (C.39:6-88) and the desirability of maintaining a
32 surplus over and above such anticipated payments and present and
33 anticipated reserves, such surplus not to exceed the amount actually
34 paid from the fund during the 12 full calendar months immediately
35 preceding the date of calculation. Such probable amount which will
36 be needed to carry out the provisions of this act shall be provided from
37 the estimated fees to be collected in the ensuing year by the Division
38 of Motor Vehicles at the time of registration pursuant to section 25 of
39 P.L. , c. (C.)(pending in the Legislature as this bill), with the
40 remainder to be assessed against insurers for such year's contributions
41 to the fund [. Such probable amount needed] , which assessment shall
42 be initially apportioned on an estimated basis among such insurers in
43 the proportion that the net direct written premiums of each bear to the
44 aggregate net direct written premiums of all insurers [, including the
45 New Jersey Automobile Full Insurance Underwriting Association,
46 created pursuant to P.L.1983, c.65 (C.17:30E-1 et seq.), and the

1 Market Transition Facility created pursuant to section 88 of P.L.1990,
2 c.8 (C.17:33B-11),] during the preceding calendar year as shown by
3 the records of the commissioner as an estimate. Each insurer shall pay
4 the sum so assessed to the treasurer on or before March 31, next
5 following. Such estimated sum shall be subject to adjustment on
6 March 31 next following payment based upon the proportion that the
7 net direct written premiums of each insurer bear to the aggregate net
8 direct written premiums of all insurers [, including the New Jersey
9 Automobile Full Insurance Underwriting Association created pursuant
10 to P.L.1983, c.65 (C.17:30E-1 et seq.), and the Market Transition
11 Facility created pursuant to section 88 of P.L.1990, c.8
12 (C.17:33B-11),] during the year the estimated assessment was paid as
13 shown by the records of the commissioner.

14 (e) Whenever any of the provisions of this act concerning the
15 method and sources of assessments on insurers, [including the New
16 Jersey Automobile Full Insurance Underwriting Association, created
17 pursuant to P.L.1983, c.65 (C.17:30E-1 et seq.), and the Market
18 Transition Facility created pursuant to section 88 of P.L.1990, c.8
19 (C.17:33B-11),] the maximum amounts payable from the fund,
20 eligibility or qualifications of claimants, or amounts to be deducted
21 from payments made from the fund are amended by law, between
22 January 1 and April 30 in any year, the commissioner may, if he deems
23 it necessary, rescind any assessment on insurers, [including the New
24 Jersey Automobile Full Insurance Underwriting Association, created
25 pursuant to P.L.1983, c.65 (C.17:30E-1 et seq.) and the Market
26 Transition Facility created pursuant to section 88 of P.L.1990, c.8
27 (C.17:33B-11),] made on December 30 of the preceding year. He
28 shall then, within 15 days of the adoption of such amendment,
29 recalculate the probable amount which will be needed to carry out the
30 provisions of this act during the ensuing registration license year, in
31 accordance with the provisions of subsection (d) of this section. If, in
32 his judgment, the estimated balance of the fund at the beginning of the
33 next registration license year will be insufficient to meet such needs,
34 he shall determine the contributions of insurers, if any, in accordance
35 with the provisions of subsection (d) of this section. In the event of
36 a rescission and reassessment subsequent to March 1 in any year,
37 insurers shall pay the sum so assessed, if any, to the treasurer within
38 90 days of the date of such assessment.

39 (cf: P.L.1990, c.8, s.85)

40

41 14. Section 10 of P.L.1952, c.174 (C.39:6-70) is amended to read
42 as follows:

43 10. Hearing on application for payment of judgment. The court
44 shall proceed upon such application, in a summary manner, and, upon
45 the hearing thereof, the applicant shall be required to show:

46 (a) He is not a person covered with respect to such injury or death

- 1 by any workers' compensation law, or the personal representative of
2 such a person,
- 3 (b) He is not a spouse, parent or child of the judgment debtor, or
4 the personal representative of such spouse, parent or child,
- 5 (c) He was not at the time of the accident a person (1) operating
6 or riding in a motor vehicle which he had stolen or participated in
7 stealing or (2) operating or riding in a motor vehicle without the
8 permission of the owner, and is not the personal representative of such
9 a person,
- 10 (d) He was not at the time of the accident, the owner or registrant
11 of an uninsured motor vehicle, or was not operating a motor vehicle
12 in violation of an order of suspension or revocation,
- 13 (e) He has complied with all of the requirements of section 5,
- 14 (f) The judgment debtor at the time of the accident was not insured
15 under a policy of automobile liability insurance under the terms of
16 which the insurer is liable to pay in whole or in part the amount of the
17 judgment,
- 18 (g) He has obtained a judgment as set out in section 9 of this act,
19 stating the amount thereof and the amount owing thereon at the date
20 of the application,
- 21 (h) He has caused to be issued a writ of execution upon said
22 judgment and the sheriff or officer executing the same has made a
23 return showing that no personal or real property of the judgment
24 debtor, liable to be levied upon in satisfaction of the judgment, could
25 be found or that the amount realized on the sale of them or of such of
26 them as were found, under said execution, was insufficient to satisfy
27 the judgment, stating the amount so realized and the balance remaining
28 due on the judgment after application thereon of the amount realized,
- 29 (i) He has caused the judgment debtor to make discovery under
30 oath, pursuant to law, concerning his personal property and as to
31 whether such judgment debtor was at the time of the accident insured
32 under any policy or policies of insurance described in subsection (f) of
33 this section,
- 34 (j) He has made all reasonable searches and inquiries to ascertain
35 whether the judgment debtor is possessed of personal or real property
36 or other assets, liable to be sold or applied in satisfaction of the
37 judgment,
- 38 (k) By such search he has discovered no personal or real property
39 or other assets, liable to be sold or applied or that he has discovered
40 certain of them, describing them, owned by the judgment debtor and
41 liable to be so sold and applied and that he has taken all necessary
42 action and proceedings for the realization thereof and that the amount
43 thereby realized was insufficient to satisfy the judgment, stating the
44 amount so realized and the balance remaining due on the judgment
45 after application of the amount realized,
- 46 (l) The application is not made by or on behalf of any insurer by

1 reason of the existence of a policy of insurance, whereby the insurer
2 is liable to pay, in whole or in part, the amount of the judgment and
3 that no part of the amount to be paid out of the fund is sought in lieu
4 of making a claim or receiving a payment which is payable by reason
5 of the existence of such a policy of insurance and that no part of the
6 amount so sought will be paid to an insurer to reimburse or otherwise
7 indemnify the insurer in respect of any amount paid or payable by the
8 insurer by reason of the existence of such a policy of insurance,

9 (m) Whether or not he has recovered a judgment in an action
10 against any other person against whom he has a cause of action in
11 respect of his damages for bodily injury or death or damage to
12 property arising out of the accident and what amounts, if any, he has
13 received by way of payments upon the judgment, or by way of
14 settlement of such cause of action, in whole or in part, from or on
15 behalf of such other person,

16 (n) [In order to recover for noneconomic loss, as defined in section
17 2 of P.L.1972, c.70 (C.39:6A-2) for accidents to which the benefits of
18 sections 7 and 10 of P.L.1972, c.198 (C.39:6-86.1 and C.39:6-86.4)
19 apply, the injured person shall have sustained an injury described in
20 subsection a. of section 8 of P.L.1972, c.70 (C.39:6A-8).] (Deleted
21 by amendment, P.L. , c.)

22 Whenever the applicant satisfies the court that it is not possible to
23 comply with one or more of the requirements enumerated in
24 subsections (h) and (i) of this section and that the applicant has taken
25 all reasonable steps to collect the amount of the judgment or the
26 unsatisfied part thereof and has been unable to collect the same, the
27 court may dispense with the necessity for complying with such
28 requirements.

29 The board or any insurer to which the action has been assigned may
30 appear and be heard on application and show cause why the order
31 should not be made.

32 (cf: P.L.1988, c.119, s.19)

33

34 15. Section 2 of P.L.1977, c.310 (C.39:6-73.1) is amended to read
35 as follows:

36 2. In the event medical expense benefits paid by an insurer, in
37 accordance with subsection a. of section 4 of P.L.1972, c.70
38 (C.39:6A-4), are in excess of \$75,000.00 on account of personal injury
39 to any one person in any one accident, the Unsatisfied Claim and
40 Judgment Fund shall assume such excess up to \$250,000 and
41 reimburse the insurer therefor in accordance with rules and regulations
42 promulgated by the commissioner; provided, however, that this
43 provision is not intended to broaden the coverage available to
44 accidents involving uninsured or hit-and-run automobiles, to provide
45 extraterritorial coverage, or to pay excess medical expenses; and,
46 provided, further, that the provisions of this section shall not apply to

1 the payment of medical expense benefits pursuant to policies issued or
2 renewed on or after the effective date of P.L. , c. (C.)(pending
3 in the Legislature as this bill).

4 (cf: P.L.1990, c.8, s.14)

5

6 16. Section 27 of P.L.1952, c.174 (C.39:6-87) is amended to read
7 as follows:

8 27. Registration, etc. not restored until fund is reimbursed. Where
9 the license or privileges of any person, or the registration of a motor
10 vehicle registered in his name, has been suspended or cancelled under
11 the Motor Vehicle Security-Responsibility Law of this State, and the
12 treasurer has paid from the fund any amount in settlement of a claim
13 or towards satisfaction of a judgment against that person, [or for the
14 payment of personal injury protection benefits as provided in section
15 7 and section 10 of this act,] the cancellation or suspension shall not
16 be removed, nor the license, privileges, or registration restored, nor
17 shall any new license or privilege be issued or granted to, or
18 registration be permitted to be made by, that person until he has

19 (a) Repaid in full to the treasurer the amount so paid by him
20 together with interest thereon at 8% per annum from the date of such
21 payment; and

22 (b) Satisfied all requirements of said Motor Vehicle
23 Security-Responsibility Law in respect of giving proof of ability to
24 respond in damages for future accidents, provided, that the court in
25 which such judgment was rendered may, upon 10 days' notice to the
26 board, make an order permitting payment of the amount of such
27 person's indebtedness to the fund, to be made in installments [, or in
28 the event the fund makes personal injury protection benefit payments,
29 such person and the fund by agreement may provide for repayment to
30 the fund to be made in installments,] and in such case, such person's
31 driver's license, or his driving privileges, or registration certificate, if
32 the same have been suspended or revoked, or have expired, may be
33 restored or renewed and shall remain in effect unless and until such
34 person defaults in making any installment payment specified in such
35 order. In the event of any such default, the Director of the Division
36 of Motor Vehicles shall upon notice of such default suspend such
37 person's driver's license, or driving privileges or registration certificate
38 until the amount of his indebtedness to the fund has been paid in full.

39 (cf: P.L.1985, c.148, s.20)

40

41 17. (New section) The director shall require as proof of financial
42 responsibility a policy of insurance providing coverage of at least an
43 amount or limit of \$15,000, exclusive of interest and costs, on account
44 of injury to, or death of, one person, in any one accident; an amount
45 or limit, subject to such limit for any one person so injured or killed,
46 or \$30,000, exclusive of interest and costs, on account of injury to or

1 death of, more than one person, in any one accident; and an amount or
2 limit of \$5,000, exclusive of interest and costs, for damage to property
3 in any one accident.

4 Whenever the director shall require proof of financial responsibility
5 from the owner of an automobile he shall require proof in the amounts
6 specified for each vehicle owned or registered by that person.
7 Pursuant to regulations promulgated by the director, the insurer
8 providing the policy of insurance shall notify the Division of Motor
9 Vehicles of the issuance, nonrenewal and termination of the policy.

10
11 18. (New section) If a person fails to maintain proof of financial
12 responsibility as required by section 17 of P.L. , c. (C.)(pending
13 in the Legislature as this bill), the director shall, until proof is
14 furnished, suspend or revoke the license of that person to operate a
15 motor vehicle or refuse to return a license which is suspended or
16 revoked, or suspend or revoke the registration of a motor vehicle, or
17 refuse to register a motor vehicle transferred by him, if it shall not
18 appear to the director's satisfaction that the transfer is a bona fide sale,
19 or if a person is not a resident of this State, withdraw his privilege of
20 operating a motor vehicle in this State and the privilege of operation
21 within this State of a motor vehicle owned by him.

22 No appeal taken from the judgment of a court shall act as a stay of
23 an action of the director authorized by this act.

24 The director may suspend or revoke the license of a person or the
25 registration of a motor vehicle if proof of financial responsibility is not
26 furnished or if a person's license or registration is suspended or
27 revoked in any other state.

28
29 19. (New section) A person subject to the requirements of the
30 "Motor Vehicle Security-Responsibility Law," P.L.1952, c.173
31 (C.39:6-23 et seq.), and not the owner of the motor vehicle may
32 operate a motor vehicle when he or the owner of the motor vehicle has
33 furnished acceptable proof of financial responsibility to the director.

34 Unless an operator who is not the owner files acceptable proof, his
35 license shall be restricted to operating only the motor vehicles for
36 which the owner has filed proof of financial responsibility.

37 In the event that person is a nonresident, his operating privilege in
38 this State shall be limited to only those motor vehicles for which the
39 owner has furnished to the director acceptable proof of financial
40 responsibility.

41
42 20. (New section) The director shall, upon written request, furnish
43 a person who sustained personal injury or property damage from a
44 motor vehicle, with information concerning the financial responsibility
45 of the operator or owner of that motor vehicle.

1 21. (New section) An operator or registrant whose operator's
2 license or registration certificate, or both, are suspended pursuant to
3 the "Motor Vehicle Security-Responsibility Law," P.L.1952, c.173
4 (C.39:6-23 et seq.), or whose policy of liability insurance, as required
5 thereunder, has been terminated, shall immediately return to the
6 director his operator's license or registration certificate and the number
7 plates issued thereunder. If a person fails to return these items, the
8 director shall direct any member of the State Police, motor vehicle
9 inspector or other police officer to secure possession of these items
10 and return them to the director's office.

11

12 22. (New section) The director may cancel the requirement that
13 a person maintain liability coverage, as provided in section 17 of P.L.,
14 c. (C.) (pending in the Legislature as this bill), if three years have
15 elapsed since the date of suspension or revocation of the license or
16 registration, and if no right of action or judgment arising out of the
17 ownership, maintenance, operation or use of a motor vehicle is then
18 outstanding against him and remains unpaid by that person.

19

20 23. (New section) A policy of insurance furnished as proof of
21 financial responsibility as provided in section 17 of P.L. , c. (C.)
22 (pending in the Legislature as this bill) shall be a policy of liability
23 insurance issued by an insurance carrier authorized to transact business
24 in this State; or in the case of a person who is not otherwise able to
25 purchase insurance from an insurance carrier, issued by an eligible
26 surplus lines insurer to the person therein named as insured; or in the
27 case of nonresident, issued by an insurance carrier authorized to
28 transact business in any of the states of the United States. The policy
29 shall:

30 a. Designate, by explicit description or appropriate reference, all
31 motor vehicles covered by the policy, and insure the named insured
32 and any other person using or responsible for the use of a motor
33 vehicle with the express or implied consent of the insured, against loss
34 from the liability imposed upon the insured or other person by law, for
35 injury to or death of a person, other than a person who is covered for
36 injury or death, by any workers' compensation law, or damage to
37 property, except property of others in charge of the insured or the
38 insured's employees, growing out of the maintenance, use or operation
39 of the motor vehicle in the United States of America; or,

40 b. In the alternative, insure the named insured against loss from
41 liability imposed by law for injury to or death of a person, other than
42 a person who is covered for injury or death by any workers'
43 compensation law, or damage to property, except property of others
44 in charge of the insured or the insured's employees, growing out of the
45 operation or use by the insured of a motor vehicle except a motor
46 vehicle registered in the name of the insured, and occurring while the

1 insured is personally in control, as driver or occupant, of the motor
2 vehicle within the United States of America.

3 The policy shall insure to at least the minimum limits provided for
4 in section 17 of P.L. , c. (C.)(pending in the Legislature as
5 this bill), or a binder pending the issuance of any policy, or an
6 endorsement to an existing policy as hereinafter provided.

7 This section shall not be construed as preventing the insurance
8 carrier from granting lawful coverage in excess of or in addition to the
9 minimum coverage, nor from embodying in the policy any agreement,
10 provision or stipulation not contrary to the provisions of P.L.1952,
11 c.173 (C.39:6-23 et seq.) or other laws.

12

13 24. (New section) In the case of a nonresident, a policy of
14 insurance as required in section 17 of P.L. , c. (C.)(pending
15 in the Legislature as this bill) and issued by an insurance carrier
16 authorized to transact business in the state in which the motor vehicle
17 is registered or primarily garaged shall be considered sufficient if the
18 carrier:

19 a. executes a power of attorney authorizing the director to accept
20 service of notice or process in an action arising out of a motor vehicle
21 accident in this State;

22 b. by its governing executive authority, duly adopts a resolution
23 providing that its policies shall be deemed to be varied to comply with
24 the law of this State relating to the terms of motor vehicle liability
25 policies issued; and

26 c. agrees to accept as final and binding any final judgment duly
27 rendered in an action arising out of a motor vehicle accident in a court
28 of competent jurisdiction of this State.

29 This section shall apply to insurance carriers organized and existing
30 under the laws of any other state and not licensed to transact business
31 in this State to the extent and under the same terms and conditions that
32 the laws of the state where the motor vehicle is registered or in which
33 the insured resides recognize certificates of insurance carriers
34 organized and existing under the laws of this State.

35

36 25. (New section) a. A person registering an automobile, as
37 defined in section 1 of P.L.1972, c.197 (C.39:6B-1), on or after the
38 effective date of P.L. , c. (C.)(pending in the Legislature as
39 this bill), without liability insurance coverage in the amounts required
40 under section 17 of P.L. , c. (C.)(pending in the Legislature
41 as this bill), shall, in addition to any other fees required by law, pay to
42 the Division of Motor Vehicles a fee of \$150 at the time of registration
43 of the motor vehicle. All moneys collected pursuant to this section by
44 the director shall be remitted to the State Treasurer, in accordance
45 with section 28 of P.L.1952, c.174 (C.39:6-88), for use by the
46 Unsatisfied Claim and Judgment Fund. The board of the Unsatisfied

1 Claim and Judgment Fund shall determine, by regulation, no later
2 than January 1 of each calendar year, the amount of the fund charge
3 for each registration year subsequent to the initial registration year.

4 b. The Division of Motor Vehicles shall refuse registration or
5 renewal or transfer of registration to the owner of any automobile for
6 which the fund charge is not paid.

7
8 26. (New section) Notwithstanding the provisions of any other law
9 to the contrary, the doctrine of contributory negligence shall apply to
10 all motor vehicle accidents.

11
12 27. (New section) This act shall be known and may be cited as the
13 "Automobile Insurance Reform Act of 1996."

14
15 28. The following acts or parts of acts are repealed:
16 sections 24 through 33 inclusive and section 51 of P.L.1990, c.8
17 (C.17:33B-13 through 17:33B-22, inclusive, and 17:33B-42);
18 sections 7 through 12 of P.L.1972, c.198 (C.39:6-86.1 through
19 C.39:6-86.6, inclusive);
20 P.L.1972, c.70 (C.39:6A-1 et seq.);
21 sections 9 through 11 inclusive of P.L.1972, c.203 (C.39:6A-19,
22 39:6A-20 and 39:6A-13.1);
23 section 1 of P.L.1983, c.212 (C.39:6A-4.1);
24 sections 12, 13, 14.1, 18, 19 and 20 of P.L.1983, c.362
25 (C.39:6A-4.2, 39:6A-4.3, 39:6A-8.1, 17:29A-15.1, 17:28-1.3,
26 and 39:6A-9.1);
27 section 17 of P.L.1983, c.362 (39:6A-23);
28 section 4 of P.L.1984, c.40 (C.39:6A-4.4);
29 section 14 of P.L.1985, c.520 (C.39:6A-4.5);
30 section 10 of P.L.1988, c.119 (C.39:6A-4.6) and
31 section 14 of P.L.1988, c.156 (C.17:29A-15.2).

32
33 29. This act shall take effect on the 180th day after enactment.
34
35

36 STATEMENT

37
38 This bill repeals the no-fault law and compulsory automobile
39 liability insurance for automobiles.

40 The bill requires motorists choosing not to carry automobile liability
41 insurance to pay a fee of \$150 into the Unsatisfied Claim and
42 Judgment Fund. Such fees would be applied toward reimbursing
43 individuals who are injured by an uninsured driver.

44 Under the provisions of the bill, if a driver without liability
45 coverage has an accident, the driver must then provide evidence of
46 financial responsibility in the form of a policy of automobile liability

1 insurance coverage in an amount or limit of at least
2 \$15,000/\$30,000/\$5,000 if the driver cannot meet his financial
3 responsibility for the accident.

4 The bill requires that the doctrine of contributory negligence apply
5 to all motor vehicle accidents.

6 Finally, the bill repeals various provisions of law with respect to
7 compulsory automobile liability insurance and the no-fault law.

8

9

10

11

12 Eliminates compulsory liability and no-fault automobile insurance;
13 reinstates financial responsibility laws; uses doctrine of contributory
14 negligence in motor vehicle accidents.