

SENATE, No. 1374

STATE OF NEW JERSEY

INTRODUCED JUNE 24, 1996

By Senators **INVERSO** and **SCOTT**

1 AN ACT allowing certain senior citizens to designate third parties to
2 receive certain notices and supplementing chapter 29 of Title 17,
3 chapter 3 of Title 48 and chapter 4 of Title 54 of the Revised
4 Statutes.

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

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9 1. For purposes of sections 1 and 2 of this act:

10 "Commissioner" means the Commissioner of Insurance.

11 "Insurer" means:

12 a. A corporation, association, partnership, reciprocal exchange,
13 interinsurer, Lloyd's insurer, fraternal benefit society or other person
14 engaged in the business of insurance pursuant to Subtitle 3 of Title 17
15 of the Revised Statutes or Subtitle 3 of Title 17B of the New Jersey
16 Statutes;

17 b. A medical service corporation operating pursuant to P.L.1940,
18 c.74 (C.17:48A-1 et seq.);

19 c. A hospital service corporation operating pursuant to P.L.1938,
20 c.366 (C.17:48-1 et seq.);

21 d. A health service corporation operating pursuant to P.L.1985,
22 c.236 (C.17:48E-1 et seq.);

23 e. A health maintenance organization authorized to operate in this
24 State pursuant to P.L.1973, c.337 (C.26:2J-1 et seq.);

25 f. An insurance plan operating pursuant to P.L.1970, c.215
26 (C.17:29D-1); and

27 g. The New Jersey Insurance Underwriting Association operating
28 pursuant to P.L.1968, c.129 (C.17:37A-1 et seq.).

29 "Policy of personal lines insurance" means any policy or contract of
30 insurance issued or issued for delivery in this State for personal, family
31 or household purposes, as determined by the commissioner, by an
32 insurer on a risk located or resident in this State for which the
33 premiums are paid directly to the insurer by the senior citizen insured.

34 "Senior citizen" means a person who is at least 62 years of age.

35 "Senior citizen insured" means a named insured pursuant to a policy
36 of personal lines insurance who is a senior citizen.

1 2. Every insurer shall permit its senior citizen insureds to designate
2 a third party to whom the insurer shall transmit a copy of notices of
3 cancellation, nonrenewal and conditional renewal. The senior citizen
4 insured shall notify the insurer that a third party has been so
5 designated. Such notification shall be delivered to the insurer by
6 certified mail, return receipt requested, and shall be effective not later
7 than 10 business days from the date of receipt by the insurer. The
8 notification shall contain, in writing, an acceptance by the third party
9 designee to receive copies of notices of cancellation, nonrenewal and
10 conditional renewal from the insurer. If the third party designee
11 desires to terminate the status as a third party designee, the designee
12 shall provide written notice to both the insurer and the senior citizen
13 insured. If the senior citizen insured desires to terminate the third
14 party designation, the insured shall provide written notice to the
15 insurer.

16 The transmission to the third party designee of a copy of any
17 notice of cancellation, nonrenewal or conditional renewal shall be in
18 addition to the original document transmitted to the senior citizen
19 insured and when a third party is so designated all such notices and
20 copies shall be mailed in an envelope clearly marked on its face with
21 the following: "IMPORTANT INSURANCE POLICY
22 INFORMATION: OPEN IMMEDIATELY". The copy of the notice
23 of cancellation, nonrenewal or conditional renewal transmitted to the
24 third party shall be governed by the same law and policy provisions
25 which govern the notice being transmitted to the senior citizen
26 insured.

27 Designation as a third party shall not constitute acceptance of any
28 liability on the part of the third party for services provided to the
29 senior citizen insured, or on the part of the insurer.

30 The insurer shall notify its senior citizen insureds annually in
31 writing, except in cases in which the age of the senior citizen insured
32 is unknown to the insurer, of the availability of the third party designee
33 notice procedures and provide information on how the insured can
34 commence this procedure, except that notice need not be provided
35 once a senior citizen insured has made a designation. An insurer may
36 provide this required annual notice to its senior citizen insureds in any
37 manner that it determines.

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39 3. Every public utility shall permit a senior citizen who receives
40 service to designate a third party to whom the public utility shall
41 transmit a copy of the public utility bill. The senior citizen shall notify
42 the public utility that a third party has been so designated. Such
43 notification shall be delivered to the public utility by certified mail,
44 return receipt requested, and shall be effective not later than 10
45 business days from the date of receipt by the public utility. The
46 notification shall contain, in writing, an acceptance by the third party

1 designee to receive copies of the senior citizen's public utility bills and
2 any notices of delinquent payment or termination of services of the
3 senior citizen's utilities. If the third party designee desires to terminate
4 the status as a third party designee, the designee shall provide written
5 notice to both the public utility and the senior citizen. If the senior
6 citizen desires to terminate the third party designation, the senior
7 citizen shall provide written notice to the public utility.

8 The transmission to the third party designee of a copy of the
9 public utility bill, delinquent payment notice, or termination of service
10 notice shall be in addition to the original document transmitted to the
11 senior citizen and when a third party is so designated all such notices
12 and copies shall be mailed in an envelope clearly marked on its face
13 with the following: "IMPORTANT PUBLIC UTILITY SERVICE
14 INFORMATION: OPEN IMMEDIATELY". The copy of the public
15 utility bill, delinquent payment notice, or termination of service notice
16 transmitted to the third party shall be governed by the same law and
17 policy provisions which govern the notice being transmitted to the
18 senior citizen.

19 Designation as a third party shall not constitute acceptance of any
20 liability on the part of the third party for payment of the public utility
21 bill, or on the part of the public utility.

22 The public utility shall notify its senior citizen customers annually
23 in writing, except in cases in which the age of the senior citizen is
24 unknown to the public utility, of the availability of the third party
25 designee notice procedures and provide information on how the senior
26 citizen can commence this procedure, except that notice need not be
27 provided once a senior citizen has made a designation. A public utility
28 may provide this required annual notice to its senior citizen customers
29 in any manner that it determines.

30 For the purposes of this section, "senior citizen" means a person
31 who is at least 62 years of age.

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33 4. Every municipal tax collector shall permit a senior citizen
34 residential property taxpayer to designate a third party to whom the
35 municipal tax collector shall transmit a copy of the annual property
36 tax bill. The senior citizen residential property taxpayer shall notify
37 the municipal tax collector that a third party has been so designated.
38 Such notification shall be delivered to the municipal tax collector by
39 certified mail, return receipt requested, and shall be effective not later
40 than 10 business days from the date of receipt by the municipal tax
41 collector. The notification shall contain, in writing, an acceptance by
42 the third party designee to receive copies of the senior citizen
43 residential taxpayer's annual tax bill and any notices of delinquent
44 payment of the senior citizen's property tax. If the third party designee
45 desires to terminate the status as a third party designee, the designee
46 shall provide written notice to both the municipal tax collector and the

1 senior citizen residential property taxpayer. If the senior citizen
2 residential property taxpayer desires to terminate the third party
3 designation, the senior citizen residential property taxpayer shall
4 provide written notice to the municipal tax collector.

5 The transmission to the third party designee of a copy of the
6 municipal tax bill or delinquency tax notice shall be in addition to the
7 original document transmitted to the senior citizen residential property
8 taxpayer and when a third party is so designated all such notices and
9 copies shall be mailed in an envelope clearly marked on its face with
10 the following: "IMPORTANT PROPERTY TAX INFORMATION:
11 OPEN IMMEDIATELY". The copy of the property tax bill or
12 delinquency tax notice transmitted to the third party shall be governed
13 by the same law and policy provisions which govern the notice being
14 transmitted to the senior citizen residential property taxpayer.

15 Designation as a third party shall not constitute acceptance of any
16 liability on the part of the third party for payment of the residential
17 property tax bill, nor on the part of the municipal tax collector.

18 The municipal tax collector shall notify its senior citizen residential
19 property taxpayers annually in writing, except in cases in which the
20 age of the senior citizen residential property taxpayer is unknown to
21 the municipal tax collector, of the availability of the third party
22 designee notice procedures and provide information on how the senior
23 citizen residential property taxpayer can commence this procedure,
24 except that notice need not be provided once a senior citizen
25 residential property taxpayer has made a designation. A municipal tax
26 collector may provide this required annual notice to its senior citizen
27 residential property taxpayers in any manner that it determines.

28 For the purposes of this section, "senior citizen residential property
29 taxpayer" means the owner of a property who resides in that property
30 and who is at least 62 years of age.

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32 5. This act shall take effect on the 120th day following enactment.

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STATEMENT

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37 This bill allows senior citizen insureds of policies of personal lines
38 of insurance to designate a third party to whom the insurer must
39 transmit a copy of notices of cancellation, nonrenewal and conditional
40 renewal. The bill also allows senior citizen residential property
41 taxpayers to designate a third party to whom the municipal tax
42 collector must transmit a copy of the property tax bill and notices of
43 delinquent payments. The bill additionally allows senior citizens to
44 designate a third party to whom public utilities must transmit a copy
45 of the public utility bill and notices of delinquent payments and
46 termination of services.

1 Under the bill, senior citizens are defined as persons 62 years of age
2 or older. Senior citizen insureds under the bill are named insureds
3 under insurance policies for personal, family or household purposes on
4 which the premiums are paid directly to the insurer by the senior
5 citizen insured. Examples of insurance policies referred to under the
6 bill are automobile insurance policies, homeowners' policies and
7 individual life and health insurance policies.

8 Senior citizen residential property taxpayers under the bill are
9 persons 62 years of age or older who are owners of, and residents in,
10 that property.

11 The bill permits a third party designee to terminate the designation
12 by written notice to the insurer, public utility or municipal tax
13 collector, as the case may be, and the senior citizen. The senior citizen
14 may terminate the third party designation by written notice to the
15 insurer, public utility or municipal tax collector.

16 The insurers, public utilities and municipal tax collectors must
17 notify senior citizens annually in writing of the availability of the
18 third party notices, except in those cases when the age of the insured
19 is unknown. Designation as a third party does not constitute
20 acceptance of any liability on the part of the third party for services
21 provided to, or the tax liability of, the senior citizen, or on the part of
22 the insurer, public utility or municipal tax collector, as the case may
23 be.

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28 Allows senior citizens to designate third parties to receive certain
29 insurance, public utility and residential property tax bills.