

SENATE SUBSTITUTE FOR
SENATE, Nos. 1374, 1379 and ASSEMBLY, No. 1279

STATE OF NEW JERSEY

ADOPTED DECEMBER 16, 1996

Sponsored by Senators INVERSO, MATHEUSSEN, Scott,
Cafiero, Assemblywoman Gill and Assemblyman Jones

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 the purposes of sections 1 and 2 of this act:
10 "Commissioner" means the Commissioner of Banking and
11 Insurance.

12 "Insurer" means:

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

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

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

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

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

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

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

30 "Policy of personal lines insurance" means any policy or contract
31 of insurance issued or issued for delivery in this State for personal,
32 family or household purposes, as determined by the commissioner, by
33 an insurer on a risk located or resident in this State for which the

1 premiums are paid directly to the insurer by the senior citizen insured.

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

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

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

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

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

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

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43 3. Every public utility shall permit a senior citizen who receives
44 service to designate a third party to whom the public utility shall
45 transmit a copy of any notice of delinquent payment or termination of
46 service. The senior citizen shall notify the public utility that a third

1 party has been so designated. Such notification shall be authorized on
2 an appropriate form for recording this request and consent, and shall
3 be effective not later than 10 business days from the date of receipt by
4 the public utility. The notification shall contain, in writing, an
5 acceptance by the third party designee to receive copies of any notices
6 of delinquent payment or termination of service of the senior citizen's
7 utilities.

8 The transmission to the third party designee of a copy of the
9 delinquent payment notice or termination of service notice shall be in
10 addition to the original document transmitted to the senior citizen.
11 The copy of the delinquent payment notice or termination of service
12 notice transmitted to the third party shall be governed by the same law
13 and policy provisions which govern the notice being transmitted to the
14 senior citizen.

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 public utility
17 bill, or on the part of the public utility.

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

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

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

1 provide written notice to the municipal tax collector.

2 The transmission to the third party designee of a copy of the
3 municipal tax bill or delinquency tax notice shall be in addition to the
4 original document transmitted to the senior citizen residential property
5 taxpayer. The copy of the residential property tax bill or delinquency
6 tax notice transmitted to the third party shall be labeled as a copy and
7 shall be governed by the same law and policy provisions which govern
8 the notice being transmitted to the senior citizen residential property
9 taxpayer.

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

13 The municipal tax collector shall notify annually in writing at least
14 every residential property taxpayer, as identified on the municipal tax
15 assessor's list, of the availability of the third party designee notice
16 procedures and provide information on how a senior citizen residential
17 property taxpayer can commence this procedure. A municipal tax
18 collector may provide this required annual notice in any manner that
19 the tax collector determines.

20 For the purposes of this section, "senior citizen residential property
21 taxpayer" means a person who is at least 62 years of age and who is
22 legally domiciled within the State of New Jersey for a period of one
23 year immediately preceding October 1 of the pretax year and who is
24 the owner of a residential property within this State and who resides
25 in that property. Mere seasonal or temporary residence within the
26 State, of whatever duration, shall not constitute domicile within the
27 State for the purposes of this act. Absence from this State for a period
28 of 12 months shall be prima facie evidence of abandonment of domicile
29 in this State. The burden of establishing legal domicile within the
30 State shall be upon the claimant.

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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 citizens to designate a third party
41 to whom public utilities must transmit a copy of any notices of
42 delinquent payment and termination of service. The bill additionally
43 allows senior citizen residential property taxpayers to designate a third
44 party to whom the municipal tax collector must transmit a copy of the
45 property tax bill and notices of delinquent payment.

46 Designation as a third party does not constitute acceptance of any

1 liability on the part of the third party for services provided to, or the
2 tax liability of, the senior citizen, or on the part of the insurer, public
3 utility or municipal tax collector, as the case may be.

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8 Allows senior citizens to designate third parties to receive certain
9 insurance, public utility and residential property tax notices.