

SENATE, No. 1594

STATE OF NEW JERSEY

INTRODUCED OCTOBER 7, 1996

By Senator KYRILLOS

1 AN ACT concerning insurance for certain out-of-state motor vehicles
2 in this State and amending P.L.1985, c.520.

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

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7 1. Section 18 of P.L.1985, c.520 (C.17:28-1.4) is amended to read
8 as follows:

9 18. Any insurer authorized to transact or transacting automobile or
10 motor vehicle insurance business in this State, or controlling or
11 controlled by, or under common control by, or with, an insurer
12 authorized to transact or transacting automobile or motor vehicle
13 insurance business in this State, which sells a policy providing
14 automobile or motor vehicle liability insurance coverage, or any similar
15 coverage, in any other state or in any province of Canada, shall include
16 in each policy coverage to satisfy at least the liability insurance
17 requirements of section 1 of P.L.1972, c.197 (C.39:6B-1) or section
18 3 of P.L.1972, c.70 (C.39:6A-3), the uninsured motorist insurance
19 requirements of subsection a. of section 2 of P.L.1968, c.385
20 (C.17:28-1.1), and personal injury protection benefits coverage
21 pursuant to section 4 of P.L.1972, c. 70 (C.39:6A-4) or of section 19
22 of P.L.1983, c.362 (C.17:28-1.3), whenever the automobile or motor
23 vehicle insured under the policy is used or operated in this State.

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

30 Each insurer authorized to transact or transacting automobile or
31 motor vehicle insurance business in this State and subject to the
32 provisions of this section shall[, within 30 days of the effective date of
33 P.L.1985, c.520,] file and maintain with the Department of Insurance
34 written certification of compliance with the provisions of this section.

1 "Automobile" means an automobile as defined in section 2 of
2 P.L.1972, c.70 (C.39:6A-2).
3 (cf: P.L.1988, c.119, s.1)

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5 2. This act shall take effect immediately.

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STATEMENT

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10 This bill amends the statute which requires insurers authorized to
11 transact or transacting automobile or motor vehicle insurance business
12 in this State, or controlling or controlled by an insurer authorized to
13 transact or transacting business in this State, to provide to the out-of-
14 state insureds who they insure for liability insurance coverage the same
15 automobile or motor vehicle insurance coverage required of New
16 Jersey drivers whenever the automobile or motor vehicle insured under
17 the policy is used or operated in this State. This bill clarifies that the
18 controlling or affiliated insurer must also be transacting automobile or
19 motor vehicle insurance business to be subject to the provisions of the
20 statute.

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25 Clarifies insurance coverage compliance requirement for out-of-state
26 automobiles and motor vehicles.