

SENATE, No. 2277

STATE OF NEW JERSEY

INTRODUCED DECEMBER 1, 1997

By Senator MATHEUSSEN

1 AN ACT providing for the repeal of the "New Jersey Automobile
2 Reparation Reform Act," P.L.1972, c.70, subject to the approval of
3 the voters of this State, and making an appropriation.

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

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8 1. P.L.1972, c.70 (C.39:6A-1 et seq.) is repealed.

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10 2. The public question set forth in section 3 of this act shall be
11 submitted to the people for their approval or rejection at the general
12 election next occurring at least 70 days following the final action of
13 the Governor or the Legislature, as appropriate, necessary to submit
14 the question, in the manner provided by this act and by Title 19 of the
15 Revised Statutes for the submission to the people of public questions
16 to be voted upon by the voters of the entire State. It shall be the duty
17 of the Secretary of State to arrange for the submission of such public
18 question in accordance with the provisions of this act and of Title 19
19 of the Revised Statutes. If possible, the same notice shall be given of
20 the submission of this public question as is required by law of that
21 general election, and the people of the State may at that election vote
22 for or against the question in the following manner.

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24 3. To inform the people of the contents of this act, it shall be the
25 duty of the Secretary of State, at least 60 days prior to the election, to
26 cause this act to be published at least once in one or more newspapers
27 of each county, if any newspapers be published therein, and to notify
28 the clerk of each county of this State of the passage of this act. The
29 clerk of each county, in accordance with the Secretary of State, shall
30 have printed on each of the ballots the following public question,
31 together with the summary statement appended to or enclosed with the
32 sample ballot, in a manner which will give prominence to the question
33 and statement:

34 If you approve of the question printed below, make a cross (x), plus
35 (+), or check mark (%) in the square opposite the word "Yes."

36 If you disapprove of the question printed below, make a cross (x),
37 plus (+), or check mark (%) in the square opposite the word "No."

1 If voting machines are used, a vote of "Yes" or "No" shall be the
2 equivalent to the markings, respectively.

3	YES	<p>NO-FAULT AUTOMOBILE INSURANCE</p> <p>Shall the State's no-fault automobile insurance law, the "New Jersey Automobile Reparation Reform Act," P.L.1972, c.70 (C.39:6A-1 et seq.), be repealed?</p>
4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42	NO	<p>INTERPRETIVE STATEMENT</p> <p>This public question asks the voters of the State to determine whether to repeal the "no-fault" automobile insurance law, formally entitled the "New Jersey Automobile Reparation Reform Act," P.L.1972, c.70 (C.39:6A-1 et seq.). The "no-fault" law requires policyholders to carry first-party personal injury protection coverage which must consist of at least \$250,000 medical expense benefits and may include income continuation benefits, essential services benefits, death benefits and funeral expense benefits. Policyholders may choose to have no restrictions on the ability to sue for pain and suffering (the option known as "no threshold"), or, to choose, in exchange for a lower premium, to limit their right to sue for pain and suffering to only those cases involving death or serious injury (the option known as "verbal" or "lawsuit threshold").</p> <p>If approved by a majority of votes cast on this question, the repeal of the "no-fault" law takes effect in 180 days without need of further action by the Legislature or Governor. The Legislature and Governor may enact another automobile insurance law; however without such action, the repeal of the no-fault automobile insurance law will result in a return to the common law fault (or tort) liability system which existed prior to 1972. Under the fault system, injured parties will be required to recover all damages, including all medical expenditures, from the negligent party.</p>

1 4. The votes cast "Yes" and "No," by ballot or voting machine,
2 shall be counted and the result thereof returned by the election officer.
3 A canvass of the election had in the same manner now as is provided
4 for by law in the case of the election of a Governor, and the approval
5 or disapproval of this question so determined shall be declared in the
6 same manner as the result of an election for Governor.

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8 5. There is appropriated the sum of \$5,000 to the Department of
9 State for expenses in connection with the publication of notice
10 required pursuant to section 3 of this act.

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12 6. This act shall take effect immediately, except that section 1
13 thereof shall take effect 180 days following approval of the public
14 question set forth in section 3 of this act by a majority of all votes cast
15 thereon.

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18 STATEMENT

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20 This bill provides for the repeal of the State's no-fault automobile
21 insurance law, formally entitled the "New Jersey Automobile
22 Reparation Reform Act," P.L.1972, c.70 (C.39:6A-1 et seq.), subject
23 to the approval of the voters of this State. The repeal of the no-fault
24 automobile insurance law would become effective 180 days following
25 an affirmative vote on this question. Under the current no-fault
26 system, policyholders are required to carry first-party personal injury
27 protection coverage which must consist of at least \$250,000 medical
28 expense benefits, and may include income continuation benefits,
29 essential services benefits, death benefits and funeral expense benefits.
30 The no-fault automobile insurance law also allows policyholders the
31 right to choose to have no restrictions on the ability to sue for pain
32 and suffering, or, in exchange for a lower premium, to limit their right
33 to sue for pain and suffering to just those cases involving death or
34 serious injury.

35 Following a majority vote on this public question, the Legislature
36 and Governor may enact another automobile insurance law; or
37 without such action, the repeal of the no-fault law may result in a
38 return to the common law fault (or tort) liability system under which
39 injured parties will be required to recover all damages, including all
40 medical expenditures, from the negligent party.

41 The bill also appropriates \$5,000 to the Department of State for its
42 expenses in connection with the publication of notice regarding the
43 referendum.

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3 Repeals no-fault automobile insurance subject to voter approval;

4 appropriates \$5,000 to notify public of referendum.