Eliminates sunset on premium rate reduction for completion of defensive driving course and requires reductions for those not accumulating any points during three-year period or for completion of another defensive driving course, or both.

CURRENT VERSION OF TEXT
As introduced.
AN ACT concerning certain rate reductions for private passenger
automobile insurance and amending P.L. 1995, c. 308.

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

1. Section 1 of P.L. 1995, c. 308 (C. 17:33B-45.1) is amended to
read as follows:
1. a. Within 180 days of the effective date of this act, every rate
filing for private passenger automobile insurance shall contain an
appropriate reduction for personal injury protection coverage, bodily
injury liability coverage, property damage coverage, and physical
damage coverage for the successful completion, by the named insured
or the principal operator of the insured automobile, if other than the
named insured, of an approved motor vehicle defensive driving course
pursuant to section 55 of P.L.1990, c.8 (C.17:33B-45). The reduction
in premium charges shall be an amount justified by the insurer's
actuarial experience, and shall be available to the insured for a
three-year period beginning with the next succeeding policy period
after the date of completion of an approved motor vehicle defensive
driving course or until driver's license suspension or the accumulation
of four or more motor vehicle points, whichever occurs earlier.
b. [The provisions of subsection a. of this section shall not apply
to insureds who qualify for the reduction in premium charges after the
first day of the 48th month following the enactment date of this act.]  
(Deleted by amendment, P.L. , c. )
c. Within 180 days of the effective date of this amendatory act,
every rate filing for private passenger automobile insurance shall
contain an appropriate reduction for personal injury protection
coverage, bodily injury liability coverage, property damage coverage,
and physical damage coverage if the named insured or the principal
operator of the insured automobile, if other than the named insured,
who has received a reduction for a three-year period pursuant to
subsection a. of this section:
(1) successfully completes a subsequent motor vehicle defensive
driving course, approved pursuant to section 55 of P.L. 1990, c. 8 (C.
17:33B-45) ; or
(2) has not accumulated any motor vehicle points during the three-
year period during which a previous reduction in premiums pursuant
to this section was in effect; or
(3) qualifies for reductions pursuant to both paragraph (1) and (2)
of this subsection.
The reductions in premium charges for successful completion of a

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not
enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.
subsequent course as provided in paragraph (1) or driving without
accumulating any motor vehicle points as provided in paragraph (2)
shall each be an amount justified by the insurer's actuarial experience,
but in no case shall either be less than 5%, for a combined total of not
less than 10%, if the named insured or principle driver qualifies for
both reductions pursuant to paragraph (3) and shall be available to the
insured for a three-year period beginning with the next succeeding
policy period or until driver's license suspension or the accumulation
of four or more motor vehicle points, whichever occurs earlier.
(cf: P.L.1995, c.308, s.1)

2. This act shall take effect immediately.

STATEMENT

Currently, the mandatory reduction in automobile insurance rates
for the successful completion of an approved motor vehicle defensive
driving course is available only for a three-year period and is scheduled
to "sunset" on January 1, 2000. This bill eliminates that sunset
provision and requires a premium reduction, of at least 5%, for drivers
who have received the reduction already mandated and who have not
accumulated any motor vehicle points during the three-year period the
reduction is in effect, or who successfully complete a subsequent
defensive driving course, or both. The premium reduction for either
accomplishment must be at least 5%, or a combined total of no less
than 10% if a driver qualifies under both requirements.