

ASSEMBLY COMMERCE AND ECONOMIC DEVELOPMENT
COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 4805

STATE OF NEW JERSEY

DATED: OCTOBER 21, 2020

The Assembly Commerce and Economic Development Committee reports favorably an Assembly Committee Substitute for Assembly Bill No. 4805.

This committee substitute requires the Department of Banking and Insurance to publish on its internet website, on or before the 90th day after the date of enactment of the bill, a one page summary of common insurance clauses concerning coverage for the loss of use and occupancy of a commercial property and business interruption that may be used in a commercial insurance policy. The summary is to be developed through a public stakeholder process, be written in easily understandable language, and include certain information, statements, and disclaimers.

Under the bill, an insurer is to provide the summary to any potential purchaser of, or any policyholder seeking renewal of, a policy that provides coverage for the loss of use and occupancy of a commercial property and business interruption in this State with the application for the policy or renewal.

The bill provides that an insurer that has issued a policy insuring against loss of use and occupancy of a commercial property or business interruption that is in effect on the date the summary is published is to deliver the summary to each policyholder by written or electronic means before 90 days after the date the summary is published.