

CHAPTER 235

AN ACT concerning certain insurer practices regarding homeowners' insurance.

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

C.17:29B-4.1 Certain homeowners' insurance inquiries not deemed as claim; violations, penalties.

1. a. No inquiry by an insured for information regarding the insured's homeowners' insurance policy, or coverage for a particular loss under that policy, shall be categorized as a claim for the purpose of determining adverse claims experience.

b. An insurer who violates this act shall be subject to a penalty of up to \$5,000 for each violation unless the insurer knew or reasonably should have known he was in violation of this act, in which case the penalty shall not be more than \$25,000 for each violation. The penalty shall be collected in a summary proceeding in accordance with the "Penalty Enforcement Law of 1999," P.L.1999, C.274 (C.2A:58-10 et seq.).

2. This act shall take effect immediately.

Approved August 31, 2001.