

CHAPTER 99

AN ACT concerning earthquake endorsements to certain insurance policies.

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

C.17:36-5.38 Earthquake damage endorsement, availability through homeowners' insurance policy.

1. Every insurer that is authorized to transact the business of homeowners' insurance in this State and that offers coverage for earthquake damage by endorsement to those homeowners' insurance policies shall inform insureds at the time of renewal of a homeowners' insurance policy, and applicants at the time of application for a homeowners' insurance policy, of the availability of an endorsement to the policy covering earthquake damage.

C.17:36-5.39 Earthquake damage endorsement, availability through commercial fire, extended coverage insurance policy.

2. Every insurer that is authorized to transact the business of commercial fire and extended coverage insurance in this State and that offers coverage for earthquake damage by endorsement to those commercial fire and extended coverage insurance policies shall inform insureds at the time of renewal of a commercial fire and extended coverage insurance policy, and applicants at the time of application for a commercial fire and extended coverage insurance policy, of the availability of an endorsement to the policy covering earthquake damage.

C.17:36-5.40 Immunity from liability for informing insureds of endorsement.

3. Notwithstanding any other provision of law to the contrary, no person, including, but not limited to, an insurer and an insurance producer, as defined in section 3 of P.L.2001, c.210 (C.17:22A-28), shall be liable in an action for damages on account of the election or non-election by an applicant or insured of the earthquake endorsement as a result of the requirement to inform the applicant or insured of the availability of the earthquake endorsement pursuant to sections 1 and 2 of this act, unless the person causes damage by a willful, wanton or grossly negligent act of commission or omission.

C.17:36-5.41 Provision of notice to applicants, insureds.

4. a. Every insurer, subject to the provisions of sections 1 and 2 of this act, shall provide a notice, prepared by the commissioner pursuant to subsection b. of this section, to applicants and insureds with the offer required to be made pursuant to sections 1 and 2 of this act.

b. The commissioner shall prepare a notice to be distributed pursuant to subsection a. of this section that sets forth the ratio of earthquake damage claims to the premiums written for such coverage over the preceding five calendar years in New Jersey and any other information regarding earthquake coverage that the commissioner deems relevant.

5. This act shall take effect on the 90th day following enactment.

Approved November 14, 2002.