

## CHAPTER 240

AN ACT concerning provision of premium options for automobile insurance and amending P.L.2003, c.89 and P.L.1990, c.8.

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

1. Section 43 of P.L.2003, c.89 (C.17:29A-52) is amended to read as follows:

C.17:29A-52 Automobile Insurance Consumer Bill of Rights.

43. a. Every insurer writing private passenger automobile insurance in this State shall provide each insured at least annually and each applicant upon receipt of initial application with an Automobile Insurance Consumer Bill of Rights. The Automobile Insurance Consumer Bill of Rights shall contain information that the Commissioner of Banking and Insurance establishes by regulation as necessary, relevant or appropriate to improve the understanding of the rights and responsibilities of consumers and insurers regarding automobile insurance.

b. To further assist consumers in evaluating an automobile insurer, the commissioner shall develop and disseminate an Automobile Insurance Report Card. Those insurers with more than 50,000 insured private passenger automobiles writing private passenger automobile insurance in this State shall maintain and submit annually to the commissioner customer satisfaction data. The commissioner shall establish by regulation the methodology and criteria to be used in collecting the customer satisfaction data, including, but not limited to, the use of a survey. This data, including consumer complaint ratios and other relevant consumer information designated by the commissioner, shall be included in the Automobile Insurance Report Card. The Automobile Insurance Report Card shall be available on the official website of the Department of Banking and Insurance, and shall be updated annually.

c. (Deleted by amendment, P.L.2007, c.240).

d. If the commissioner finds, after notice and hearing, that an insurer has a pattern and practice of failing to provide any of the information required by this section, the commissioner may, after notice and hearing, order the payment of a penalty not to exceed \$1,000 for each offense. Each instance of a failure to provide information to an insured, an applicant or the commissioner, as the case may be, shall be a separate offense and subject to assessment of a separate penalty. Penalties assessed pursuant to this section shall be collected by the commissioner pursuant to the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

2. Section 30 of P.L.1990, c.8 (C.17:33B-18) is amended to read as follows:

C.17:33B-18 Conditions of licensure.

30. a. A licensed insurance agent shall, as a condition of licensure:

(1) (Deleted by amendment, P.L.2007, c.240).

(2) Not attempt to channel an eligible person away from an insurer or insurance coverage with the purpose or effect of avoiding an agent's obligation to submit an application or an insurer's obligation to accept an eligible person; and

(3) Upon request, submit an application of the eligible person for automobile insurance to the insurer selected by the eligible person.

If a UEZ agent has a contract with a qualified insurer pursuant to the provisions of section 22 of P.L.1997, c.151 (C.17:33C-4) and the UEZ agent is unable to place an otherwise eligible person with that qualified insurer because of the limitation on the number of

exposures imposed by that qualified insurer on the UEZ agent, the UEZ agent shall be deemed to have met the requirements of this subsection, provided that the limitation on the number of exposures has been reached and the UEZ agent fulfills all applicable regulatory requirements.

b. With respect to automobile insurance, an insurer shall not penalize an agent by paying less than normal commissions or normal compensation or salary because of the expected or actual experience produced by the agent's automobile insurance business or because of the geographic location of automobile insurance business written by the agent.

3. This act shall take effect immediately.

Approved January 3, 2008.