

17:46C-8.1
LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2025 **CHAPTER:** 170

NJSA: 17:46C-8.1, Differentiates certain legal services from traditional insurance products.

BILL NO: A3802 (Substituted for S3061 (1R))

SPONSOR(S) Reynolds-Jackson, Verlina and others

DATE INTRODUCED: 2/22/2024

COMMITTEE: **ASSEMBLY:** Financial Institutions & Insurance
Judiciary

SENATE: Commerce

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: ASSEMBLY: 12/8/2025

SENATE: 12/18/2025

DATE OF APPROVAL: 12/19/2025

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (A3802 Sa w/GR (2R) enacted)

ADVANCE LAW Yes

PAMPHLET LAW Yes

A3802

INTRODUCED BILL: (Includes sponsor(s) statement) Yes

REPRINT(S): Yes Senate 2/25/25 1R
Conditional Veto 11/24/25 2R

TECHNICAL REVIEW OF BILL: No

COMMITTEE STATEMENT:	ASSEMBLY:	Yes	Financial Institutions & Insurance Judiciary
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SENATE: Yes Commerce

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, ***may possibly*** be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT: Yes

LEGISLATIVE FISCAL ESTIMATE: No

S3061 (1R)

INTRODUCED BILL: (Includes sponsor(s) statement)	Yes	
REPRINT(S):	Yes	Senate 2/25/25 1R
TECHNICAL REVIEW OF BILL:	No	
COMMITTEE STATEMENT:		
ASSEMBLY:	No	
SENATE:	Yes	

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT:	Yes
LEGISLATIVE FISCAL ESTIMATE:	No
VETO MESSAGE:	Yes
GOVERNOR'S PRESS RELEASE ON SIGNING:	Yes
LEGISLATOR STATEMENT:	No

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or <mailto:refdesk@njstatelib.org>

REPORTS:	No
HEARINGS:	No
NEWSPAPER ARTICLES:	No

CL/MMcB

P.L. 2025, CHAPTER 170, *approved December 19, 2025*
Assembly, No. 3802 (*Second Reprint*)

1 AN ACT concerning legal insurance and ²**[amending]**
2 supplementing² P.L.1981, c.160 ²(C.17:46C-1 et seq.)².
3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:
6

7 ²**[1.** Section 3 of P.L.1981, c.160 (C.17:46C-3) is amended
8 to read as follows:

9 3. As used in this act:

10 a. "Commissioner" means the Commissioner of Banking and
11 Insurance.

12 b. "Insurer" means any person who obtains a certificate of
13 authority in accordance with the provisions of section 4 of this act and
14 any person authorized to transact the business of insurance under
15 Subtitle 3 of Title 17 of the Revised Statutes or Subtitle 3 of Title 17B
16 of the New Jersey Statutes.

17 c. "Legal insurance" means the assumption of a contractual
18 obligation to **[provide]** ¹**[pay or reimburse for]** provide¹ specified
19 legal services or **[reimbursement for]** ¹**[specified]** reimbursement
20 for¹ legal expenses¹ **[,]**¹ in consideration of a specified payment for an
21 interval of time, regardless of whether the payment is made by the
22 beneficiaries individually or by a third person for them, in such a
23 manner that the total cost incurred by assuming the obligation is to be
24 spread directly or individually among a group of persons. ¹**[The**
25 payment of an administrative fee to an attorney shall not be considered
26 payment or reimbursement for specified legal services or specified
27 legal expenses for the purposes of this definition.]¹ Legal insurance
28 shall not include the provision of or reimbursement for legal services
29 incidental to other insurance coverages such as the duty to defend, nor
30 shall the following be considered legal insurance under the laws of this
31 State:

32 (1) Retainer contracts made with individual clients with the fees
33 based on estimates of the nature and the amount of services that will
34 be provided to the specific client, and similar contracts made with 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

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate floor amendments adopted February 25, 2025.

²Assembly amendments adopted in accordance with Governor's
recommendations November 24, 2025.

1 group of clients involved in the same or closely related legal matters
2 such as class actions.

3 (2) Plans providing no benefits other than a limited amount of
4 consultation and advice on simple matters either alone or in
5 combination with referral services or the promise of fee discounts for
6 other matters.

7 (3) Plans providing limited benefits on simple legal matters on an
8 informal basis not involving a legally binding promise, in the context
9 of an employment or educational or similar relationship.

10 (4) Legal services provided by unions or employee associations to
11 their members in matters relating to employment or occupation.

12 (5) Employee benefit plans regulated by the “Employee
13 Retirement Income Security Act of 1974,” (P.L. 93-406, 29 U.S.C.
14 1001 et seq.).

15 (6) Plans or legal services provided by a legal aid office or public
16 defender office, a military legal assistance office, a lawyer referral
17 service operated, sponsored or approved by a bar association
18 representative of the general bar of the geographical area in which the
19 association exists, or any other nonprofit organization that
20 recommends, furnishes or pays for legal services to its members or
21 beneficiaries in a manner incidental and reasonably related to a
22 primary purpose of such organization to promote a public interest,
23 including, without limitation, defense of human and civil rights,
24 elimination of prejudice and discrimination as to race, religion, sex
25 and national origin, lessening neighborhood tensions, preservation of
26 scenic beauty, combatting or preventing pollution, preservation of
27 natural resources, protection of consumer interest, promotion of
28 cultural, historical or other educational activities, and prevention of
29 cruelty to animals.

30 ¹(7) Arrangements through which members prepay for specified
31 legal services, which are available to the members, or their
32 dependents, through an organization that contracts directly with
33 attorneys for the provision of the specified legal services and the
34 organization pays the attorneys fixed, pre-arranged payments and the
35 attorneys receive no additional payment or reimbursement from the
36 organization for the specified legal services or the specified legal
37 expenses.¹

38 As used herein, “contractual obligation” includes any arrangement
39 in which those persons for whom services are to be provided under the
40 arrangement have reasonable expectations of enforceable rights.

41 (cf: P.L.1981, c.160, s.3)]²

42
43 ²1. a. A prepaid legal insurance plan shall be considered “legal
44 insurance” subject to all provisions of the “New Jersey Legal
45 Services Insurance Act” except as provided in this section.
46 Notwithstanding the provisions of any other law to the contrary, a
47 person shall not sell, or offer to sell, coverage under a prepaid legal
48 insurance plan unless licensed as a limited lines prepaid legal

1 insurance plan producer pursuant to the provisions of the “New
2 Jersey Insurance Producer Licensing Act of 2001,” P.L.2001, c.210
3 (C.17:22A-26 et seq.) or as authorized under this section.
4 Notwithstanding the provisions of section 14 of P.L.1981, c.160
5 (C.17:46C-14) or any law to the contrary, a person authorized to
6 sell or offer to sell prepaid legal insurance plans to consumers under
7 this section may be paid commissions through an entity or a
8 designated representative of the entity that obtains a limited lines
9 prepaid legal insurance producer plan license.

10 b. The employees and authorized representatives of an entity
11 that obtains a certificate of authority under the “New Jersey Legal
12 Services Insurance Act,” P.L.1981, c.160 (C.17:46C-1 et seq.), may
13 sell or offer to sell prepaid legal insurance plans to consumers as
14 permitted by this section and shall not be subject to individual
15 licensure as an insurance producer under P.L. 2001, c.210
16 (C.17:22A-26 et seq.) as a condition of selling or offering to sell
17 prepaid legal insurance plans to consumers, provided that:

18 (1) The entity or a designated representative of the entity
19 obtains a limited lines prepaid legal insurance producer plan license
20 to authorize its employees or authorized representatives to sell or
21 offer prepaid legal insurance plans pursuant to this section;

22 (2) The entity possessing the certificate of authority and issuing
23 the prepaid legal insurance plan either directly supervises, or
24 appoints a supervising entity that is a licensed limited lines prepaid
25 legal insurance plan producer to supervise, the employees and
26 authorized representatives selling or offering to sell prepaid legal
27 insurance plans pursuant to this section; and

28 (3) The entity possessing the certificate of authority and issuing
29 the prepaid legal insurance plans develops a training program for
30 employees selling or offering to sell prepaid legal insurance plans.
31 The training required by this paragraph shall:

32 (a) be delivered to every employee and authorized
33 representative who is directly engaged in the activity of selling or
34 offering prepaid legal insurance plans; and

35 (b) include basic instruction about the prepaid legal insurance
36 plans offered to consumers, including the provisions of the prepaid
37 legal insurance plan and the requirements of the “New Jersey Legal
38 Services Insurance Act,” P.L.1981, c.160 (C.17:46C-1 et seq.).

39 c. Consistent with the provisions of the “New Jersey Insurance
40 Producer Licensing Act of 2001,” P.L.2001, c.210 (C.17:22A-26 et
41 seq.), an application for a limited lines insurance producer license
42 under this section shall be made to and filed with the Department of
43 Banking and Insurance on forms prescribed and furnished by the
44 commissioner.

45 d. Limited lines prepaid legal insurance plan producer licenses
46 issued pursuant to this section shall renew biennially in accordance
47 with regulations promulgated by the commissioner.

4 f. For purposes of this section, “prepaid legal insurance plan”
5 means legal insurance that consists of an arrangement through
6 which members prepay for specified legal services, which are
7 available to the members, or their dependents, through an
8 organization that contracts directly with attorneys for the provision
9 of the specified legal services and the organization pays the
10 attorneys fixed, pre-arranged payments and the attorneys receive no
11 additional payment or reimbursement from the organization for the
12 specified legal services or the specified legal expenses.²

14 2. This act shall take effect on the 90th day next following
15 enactment.

20 Differentiates certain legal services from traditional insurance
21 products.

CHAPTER 170

AN ACT concerning legal insurance and supplementing P.L.1981, c.160 (C.17:46C-1 et seq.).

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

C.17:46C-8.1 Legal insurance, prepaid, defined, certain related services differentiated.

1. a. A prepaid legal insurance plan shall be considered “legal insurance” subject to all provisions of the “New Jersey Legal Services Insurance Act” except as provided in this section. Notwithstanding the provisions of any other law to the contrary, a person shall not sell, or offer to sell, coverage under a prepaid legal insurance plan unless licensed as a limited lines prepaid legal insurance plan producer pursuant to the provisions of the “New Jersey Insurance Producer Licensing Act of 2001,” P.L.2001, c.210 (C.17:22A-26 et seq.) or as authorized under this section. Notwithstanding the provisions of section 14 of P.L.1981, c.160 (C.17:46C-14) or any law to the contrary, a person authorized to sell or offer to sell prepaid legal insurance plans to consumers under this section may be paid commissions through an entity or a designated representative of the entity that obtains a limited lines prepaid legal insurance producer plan license.

b. The employees and authorized representatives of an entity that obtains a certificate of authority under the “New Jersey Legal Services Insurance Act,” P.L.1981, c.160 (C.17:46C-1 et seq.), may sell or offer to sell prepaid legal insurance plans to consumers as permitted by this section and shall not be subject to individual licensure as an insurance producer under P.L. 2001, c.210 (C.17:22A-26 et seq.) as a condition of selling or offering to sell prepaid legal insurance plans to consumers, provided that:

(1) The entity or a designated representative of the entity obtains a limited lines prepaid legal insurance producer plan license to authorize its employees or authorized representatives to sell or offer prepaid legal insurance plans pursuant to this section;

(2) The entity possessing the certificate of authority and issuing the prepaid legal insurance plan either directly supervises, or appoints a supervising entity that is a licensed limited lines prepaid legal insurance plan producer to supervise, the employees and authorized representatives selling or offering to sell prepaid legal insurance plans pursuant to this section; and

(3) The entity possessing the certificate of authority and issuing the prepaid legal insurance plans develops a training program for employees selling or offering to sell prepaid legal insurance plans. The training required by this paragraph shall:

(a) be delivered to every employee and authorized representative who is directly engaged in the activity of selling or offering prepaid legal insurance plans; and

(b) include basic instruction about the prepaid legal insurance plans offered to consumers, including the provisions of the prepaid legal insurance plan and the requirements of the “New Jersey Legal Services Insurance Act,” P.L.1981, c.160 (C.17:46C-1 et seq.).

c. Consistent with the provisions of the “New Jersey Insurance Producer Licensing Act of 2001,” P.L.2001, c.210 (C.17:22A-26 et seq.), an application for a limited lines insurance producer license under this section shall be made to and filed with the Department of Banking and Insurance on forms prescribed and furnished by the commissioner.

d. Limited lines prepaid legal insurance plan producer licenses issued pursuant to this section shall renew biennially in accordance with regulations promulgated by the commissioner.

e. Each entity shall pay to the commissioner a fee as prescribed by the commissioner for an initial limited lines prepaid legal insurance plan producer license and for each renewal thereof.

f. For purposes of this section, “prepaid legal insurance plan” means legal insurance that consists of an arrangement through which members prepay for specified legal services, which are available to the members, or their dependents, through an organization that contracts directly with attorneys for the provision of the specified legal services and the organization

pays the attorneys fixed, pre-arranged payments and the attorneys receive no additional payment or reimbursement from the organization for the specified legal services or the specified legal expenses.

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

Approved December 19, 2025.

ASSEMBLY, No. 3802

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED FEBRUARY 22, 2024

Sponsored by:

Assemblywoman VERLINA REYNOLDS-JACKSON

District 15 (Hunterdon and Mercer)

Assemblyman BENJIE E. WIMBERLY

District 35 (Bergen and Passaic)

Assemblyman ROY FREIMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Co-Sponsored by:

Assemblyman Webber, Assemblywomen Carter, Speight and Flynn

SYNOPSIS

Differentiates certain legal services from traditional insurance products.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 10/28/2024)

1 AN ACT concerning legal insurance and amending P.L.1981, c.160.

2

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

5

6 1. Section 3 of P.L.1981, c.160 (C.17:46C-3) is amended to
7 read as follows:

8 3. As used in this act:

9 a. "Commissioner" means the Commissioner of Banking and
10 Insurance.

11 b. "Insurer" means any person who obtains a certificate of
12 authority in accordance with the provisions of section 4 of this act
13 and any person authorized to transact the business of insurance
14 under Subtitle 3 of Title 17 of the Revised Statutes or Subtitle 3 of
15 Title 17B of the New Jersey Statutes.

16 c. "Legal insurance" means the assumption of a contractual
17 obligation to **provide** pay or reimburse for specified legal services
18 or **reimbursement for** specified legal expenses, in consideration
19 of a specified payment for an interval of time, regardless of whether
20 the payment is made by the beneficiaries individually or by a third
21 person for them, in such a manner that the total cost incurred by
22 assuming the obligation is to be spread directly or individually
23 among a group of persons. The payment of an administrative fee to
24 an attorney shall not be considered payment or reimbursement for
25 specified legal services or specified legal expenses for the purposes
26 of this definition. Legal insurance shall not include the provision of
27 or reimbursement for legal services incidental to other insurance
28 coverages such as the duty to defend, nor shall the following be
29 considered legal insurance under the laws of this State:

30 (1) Retainer contracts made with individual clients with the fees
31 based on estimates of the nature and the amount of services that will
32 be provided to the specific client, and similar contracts made with a
33 group of clients involved in the same or closely related legal
34 matters such as class actions.

35 (2) Plans providing no benefits other than a limited amount of
36 consultation and advice on simple matters either alone or in
37 combination with referral services or the promise of fee discounts
38 for other matters.

39 (3) Plans providing limited benefits on simple legal matters on
40 an informal basis not involving a legally binding promise, in the
41 context of an employment or educational or similar relationship.

42 (4) Legal services provided by unions or employee associations
43 to their members in matters relating to employment or occupation.

44 (5) Employee benefit plans regulated by the "Employee
45 Retirement Income Security Act of 1974," (P.L. 93-406, 29 U.S.C.
46 1001 et seq.).

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.

1 (6) Plans or legal services provided by a legal aid office or
2 public defender office, a military legal assistance office, a lawyer
3 referral service operated, sponsored or approved by a bar
4 association representative of the general bar of the geographical
5 area in which the association exists, or any other nonprofit
6 organization that recommends, furnishes or pays for legal services
7 to its members or beneficiaries in a manner incidental and
8 reasonably related to a primary purpose of such organization to
9 promote a public interest, including, without limitation, defense of
10 human and civil rights, elimination of prejudice and discrimination
11 as to race, religion, sex and national origin, lessening neighborhood
12 tensions, preservation of scenic beauty, combatting or preventing
13 pollution, preservation of natural resources, protection of consumer
14 interest, promotion of cultural, historical or other educational
15 activities, and prevention of cruelty to animals.

16 As used herein, “contractual obligation” includes any
17 arrangement in which those persons for whom services are to be
18 provided under the arrangement have reasonable expectations of
19 enforceable rights.

20 (cf: P.L.1981, c.160, s.3)

21

22 2. This act shall take effect on the 90th day next following
23 enactment.

24

25

26

STATEMENT

27

28 This bill differentiates certain legal service plans from traditional
29 insurance products.

30 Under the bill, existing law is modernized by differentiating
31 certain legal service plans from traditional insurance
32 products. Such legal service plans are not insurance because they
33 do not require the payment of claims; assumption of risk; or
34 reimbursement or indemnification for legal services or expenses.

[First Reprint]

ASSEMBLY, No. 3802

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED FEBRUARY 22, 2024

Sponsored by:

Assemblywoman VERLINA REYNOLDS-JACKSON

District 15 (Hunterdon and Mercer)

Assemblyman BENJIE E. WIMBERLY

District 35 (Bergen and Passaic)

Assemblyman ROY FREIMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Senator RENEE C. BURGESS

District 28 (Essex and Union)

Senator JOSEPH PENNACCHIO

District 26 (Morris and Passaic)

Co-Sponsored by:

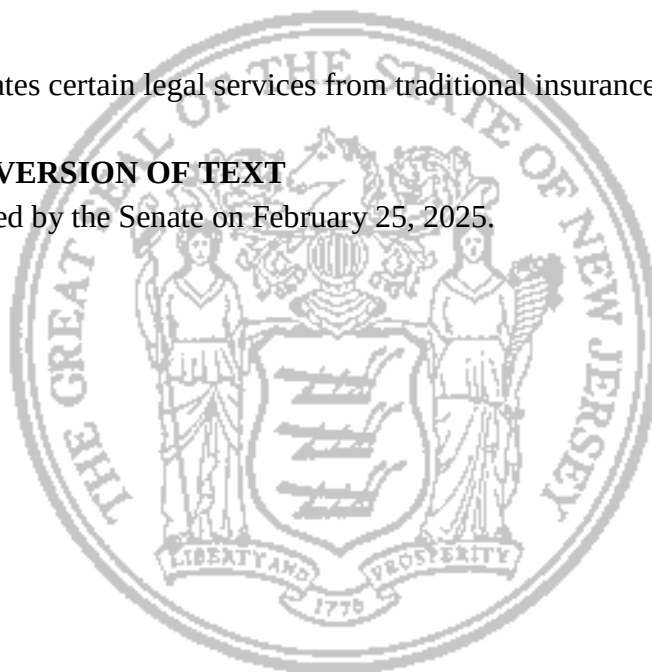
Assemblyman Webber, Assemblywomen Carter, Speight and Flynn

SYNOPSIS

Differentiates certain legal services from traditional insurance products.

CURRENT VERSION OF TEXT

As amended by the Senate on February 25, 2025.



(Sponsorship Updated As Of: 6/30/2025)

1 AN ACT concerning legal insurance and amending P.L.1981, c.160.

2

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

5

6 1. Section 3 of P.L.1981, c.160 (C.17:46C-3) is amended to read
7 as follows:

8 3. As used in this act:

9 a. "Commissioner" means the Commissioner of Banking and
10 Insurance.

11 b. "Insurer" means any person who obtains a certificate of
12 authority in accordance with the provisions of section 4 of this act and
13 any person authorized to transact the business of insurance under
14 Subtitle 3 of Title 17 of the Revised Statutes or Subtitle 3 of Title 17B
15 of the New Jersey Statutes.

16 c. "Legal insurance" means the assumption of a contractual
17 obligation to **[provide]** ¹**[pay or reimburse for]** provide¹ specified
18 legal services or **[reimbursement for]** ¹**[specified]** reimbursement
19 for¹ legal expenses¹ **[.]**¹ in consideration of a specified payment for an
20 interval of time, regardless of whether the payment is made by the
21 beneficiaries individually or by a third person for them, in such a
22 manner that the total cost incurred by assuming the obligation is to be
23 spread directly or individually among a group of persons. ¹**[The**
24 payment of an administrative fee to an attorney shall not be considered
25 payment or reimbursement for specified legal services or specified
26 legal expenses for the purposes of this definition.]¹ Legal insurance
27 shall not include the provision of or reimbursement for legal services
28 incidental to other insurance coverages such as the duty to defend, nor
29 shall the following be considered legal insurance under the laws of this
30 State:

31 (1) Retainer contracts made with individual clients with the fees
32 based on estimates of the nature and the amount of services that will
33 be provided to the specific client, and similar contracts made with a
34 group of clients involved in the same or closely related legal matters
35 such as class actions.

36 (2) Plans providing no benefits other than a limited amount of
37 consultation and advice on simple matters either alone or in
38 combination with referral services or the promise of fee discounts for
39 other matters.

40 (3) Plans providing limited benefits on simple legal matters on an
41 informal basis not involving a legally binding promise, in the context
42 of an employment or educational or similar relationship.

43 (4) Legal services provided by unions or employee associations to
44 their members in matters relating to employment or occupation.

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

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate floor amendments adopted February 25, 2025.

1 (5) Employee benefit plans regulated by the “Employee
2 Retirement Income Security Act of 1974,” (P.L. 93-406, 29 U.S.C.
3 1001 et seq.).

4 (6) Plans or legal services provided by a legal aid office or public
5 defender office, a military legal assistance office, a lawyer referral
6 service operated, sponsored or approved by a bar association
7 representative of the general bar of the geographical area in which the
8 association exists, or any other nonprofit organization that
9 recommends, furnishes or pays for legal services to its members or
10 beneficiaries in a manner incidental and reasonably related to a
11 primary purpose of such organization to promote a public interest,
12 including, without limitation, defense of human and civil rights,
13 elimination of prejudice and discrimination as to race, religion, sex
14 and national origin, lessening neighborhood tensions, preservation of
15 scenic beauty, combatting or preventing pollution, preservation of
16 natural resources, protection of consumer interest, promotion of
17 cultural, historical or other educational activities, and prevention of
18 cruelty to animals.

19 ¹(7) Arrangements through which members prepay for specified
20 legal services, which are available to the members, or their
21 dependents, through an organization that contracts directly with
22 attorneys for the provision of the specified legal services and the
23 organization pays the attorneys fixed, pre-arranged payments and the
24 attorneys receive no additional payment or reimbursement from the
25 organization for the specified legal services or the specified legal
26 expenses.¹

27 As used herein, “contractual obligation” includes any arrangement
28 in which those persons for whom services are to be provided under the
29 arrangement have reasonable expectations of enforceable rights.
30 (cf: P.L.1981, c.160, s.3)

31
32 2. This act shall take effect on the 90th day next following
33 enactment.

[Second Reprint]

ASSEMBLY, No. 3802

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED FEBRUARY 22, 2024

Sponsored by:

Assemblywoman VERLINA REYNOLDS-JACKSON

District 15 (Hunterdon and Mercer)

Assemblymen BENJIE E. WIMBERLY

District 35 (Bergen and Passaic)

Assemblymen ROY FREIMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

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Co-Sponsored by:

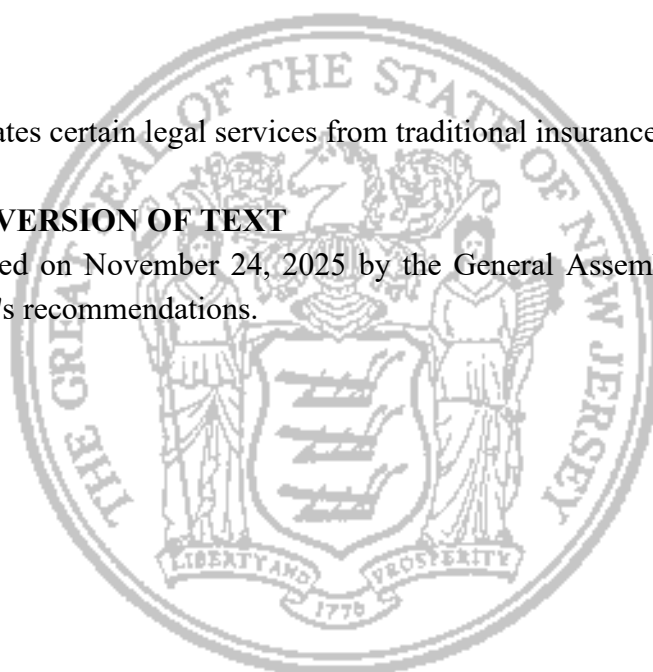
**Assemblyman Webber, Assemblywomen Carter, Speight, Flynn and
Assemblyman Stanley**

SYNOPSIS

Differentiates certain legal services from traditional insurance products.

CURRENT VERSION OF TEXT

As amended on November 24, 2025 by the General Assembly pursuant to the Governor's recommendations.



(Sponsorship Updated As Of: 12/8/2025)

1 AN ACT concerning legal insurance and ²**[amending]**
2 supplementing² P.L.1981, c.160 ²(C.17:46C-1 et seq.)².

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 ²**[1.** Section 3 of P.L.1981, c.160 (C.17:46C-3) is amended
8 to read as follows:

9 3. As used in this act:

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11 Insurance.

12 b. "Insurer" means any person who obtains a certificate of
13 authority in accordance with the provisions of section 4 of this act and
14 any person authorized to transact the business of insurance under
15 Subtitle 3 of Title 17 of the Revised Statutes or Subtitle 3 of Title 17B
16 of the New Jersey Statutes.

17 c. "Legal insurance" means the assumption of a contractual
18 obligation to **[provide]** ¹**[pay or reimburse for]** provide¹ specified
19 legal services or **[reimbursement for]** ¹**[specified]** reimbursement
20 for¹ legal expenses¹**[,]**¹ in consideration of a specified payment for an
21 interval of time, regardless of whether the payment is made by the
22 beneficiaries individually or by a third person for them, in such a
23 manner that the total cost incurred by assuming the obligation is to be
24 spread directly or individually among a group of persons. ¹**[The**
25 payment of an administrative fee to an attorney shall not be considered
26 payment or reimbursement for specified legal services or specified
27 legal expenses for the purposes of this definition.]¹ Legal insurance
28 shall not include the provision of or reimbursement for legal services
29 incidental to other insurance coverages such as the duty to defend, nor
30 shall the following be considered legal insurance under the laws of this
31 State:

32 (1) Retainer contracts made with individual clients with the fees
33 based on estimates of the nature and the amount of services that will
34 be provided to the specific client, and similar contracts made with a
35 group of clients involved in the same or closely related legal matters
36 such as class actions.

37 (2) Plans providing no benefits other than a limited amount of
38 consultation and advice on simple matters either alone or in
39 combination with referral services or the promise of fee discounts for
40 other matters.

41 (3) Plans providing limited benefits on simple legal matters on an
42 informal basis not involving a legally binding promise, in the context
43 of an employment or educational or similar relationship.

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²Assembly amendments adopted in accordance with Governor's
recommendations November 24, 2025.

1 (4) Legal services provided by unions or employee associations to
2 their members in matters relating to employment or occupation.

3 (5) Employee benefit plans regulated by the “Employee
4 Retirement Income Security Act of 1974,” (P.L. 93-406, 29 U.S.C.
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6 (6) Plans or legal services provided by a legal aid office or public
7 defender office, a military legal assistance office, a lawyer referral
8 service operated, sponsored or approved by a bar association
9 representative of the general bar of the geographical area in which the
10 association exists, or any other nonprofit organization that
11 recommends, furnishes or pays for legal services to its members or
12 beneficiaries in a manner incidental and reasonably related to a
13 primary purpose of such organization to promote a public interest,
14 including, without limitation, defense of human and civil rights,
15 elimination of prejudice and discrimination as to race, religion, sex
16 and national origin, lessening neighborhood tensions, preservation of
17 scenic beauty, combatting or preventing pollution, preservation of
18 natural resources, protection of consumer interest, promotion of
19 cultural, historical or other educational activities, and prevention of
20 cruelty to animals.

21 ¹(7) Arrangements through which members prepay for specified
22 legal services, which are available to the members, or their
23 dependents, through an organization that contracts directly with
24 attorneys for the provision of the specified legal services and the
25 organization pays the attorneys fixed, pre-arranged payments and the
26 attorneys receive no additional payment or reimbursement from the
27 organization for the specified legal services or the specified legal
28 expenses.¹

29 As used herein, “contractual obligation” includes any arrangement
30 in which those persons for whom services are to be provided under the
31 arrangement have reasonable expectations of enforceable rights.

32 (cf: P.L.1981, c.160, s.3)]²

33
34 ²1. a. A prepaid legal insurance plan shall be considered “legal
35 insurance” subject to all provisions of the “New Jersey Legal
36 Services Insurance Act” except as provided in this section.
37 Notwithstanding the provisions of any other law to the contrary, a
38 person shall not sell, or offer to sell, coverage under a prepaid legal
39 insurance plan unless licensed as a limited lines prepaid legal
40 insurance plan producer pursuant to the provisions of the “New
41 Jersey Insurance Producer Licensing Act of 2001,” P.L.2001, c.210
42 (C.17:22A-26 et seq.) or as authorized under this section.
43 Notwithstanding the provisions of section 14 of P.L.1981, c.160
44 (C.17:46C-14) or any law to the contrary, a person authorized to
45 sell or offer to sell prepaid legal insurance plans to consumers under
46 this section may be paid commissions through an entity or a
47 designated representative of the entity that obtains a limited lines
48 prepaid legal insurance producer plan license.

b. The employees and authorized representatives of an entity that obtains a certificate of authority under the “New Jersey Legal Services Insurance Act,” P.L.1981, c.160 (C.17:46C-1 et seq.), may sell or offer to sell prepaid legal insurance plans to consumers as permitted by this section and shall not be subject to individual licensure as an insurance producer under P.L. 2001, c.210 (C.17:22A-26 et seq.) as a condition of selling or offering to sell prepaid legal insurance plans to consumers, provided that:

(1) The entity or a designated representative of the entity obtains a limited lines prepaid legal insurance producer plan license to authorize its employees or authorized representatives to sell or offer prepaid legal insurance plans pursuant to this section;

(2) The entity possessing the certificate of authority and issuing the prepaid legal insurance plan either directly supervises, or appoints a supervising entity that is a licensed limited lines prepaid legal insurance plan producer to supervise, the employees and authorized representatives selling or offering to sell prepaid legal insurance plans pursuant to this section; and

(3) The entity possessing the certificate of authority and issuing the prepaid legal insurance plans develops a training program for employees selling or offering to sell prepaid legal insurance plans. The training required by this paragraph shall:

(a) be delivered to every employee and authorized representative who is directly engaged in the activity of selling or offering prepaid legal insurance plans; and

(b) include basic instruction about the prepaid legal insurance plans offered to consumers, including the provisions of the prepaid legal insurance plan and the requirements of the “New Jersey Legal Services Insurance Act,” P.L.1981, c.160 (C.17:46C-1 et seq.).

c. Consistent with the provisions of the “New Jersey Insurance Producer Licensing Act of 2001,” P.L.2001, c.210 (C.17:22A-26 et seq.), an application for a limited lines insurance producer license under this section shall be made to and filed with the Department of Banking and Insurance on forms prescribed and furnished by the commissioner.

d. Limited lines prepaid legal insurance plan producer licenses issued pursuant to this section shall renew biennially in accordance with regulations promulgated by the commissioner.

e. Each entity shall pay to the commissioner a fee as prescribed by the commissioner for an initial limited lines prepaid legal insurance plan producer license and for each renewal thereof.

f. For purposes of this section, “prepaid legal insurance plan” means legal insurance that consists of an arrangement through which members prepay for specified legal services, which are available to the members, or their dependents, through an organization that contracts directly with attorneys for the provision of the specified legal services and the organization pays the attorneys fixed, pre-arranged payments and the attorneys receive no

1 additional payment or reimbursement from the organization for the
2 specified legal services or the specified legal expenses.²

3

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

ASSEMBLY FINANCIAL INSTITUTIONS AND INSURANCE
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3802

STATE OF NEW JERSEY

DATED: MAY 20, 2024

The Assembly Financial Institutions and Insurance Committee reports favorably Assembly Bill No. 3802.

This bill differentiates certain legal service plans from traditional insurance products.

Under the bill, existing law is modernized by differentiating certain legal service plans from traditional insurance products. Such legal service plans are not insurance because they do not require the payment of claims; assumption of risk; or reimbursement or indemnification for legal services or expenses.

ASSEMBLY JUDICIARY COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3802

STATE OF NEW JERSEY

DATED: SEPTEMBER 19, 2024

The Assembly Judiciary Committee reports favorably Assembly Bill No. 3802.

This bill differentiates certain legal service plans from traditional insurance products. Such legal service plans are not insurance because they do not require the payment of claims; assumption of risk; or reimbursement or indemnification for legal services or expenses.

SENATE COMMERCE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3802

STATE OF NEW JERSEY

DATED: DECEMBER 12, 2024

The Senate Commerce Committee reports favorably Assembly Bill No. 3802.

This bill differentiates certain legal service plans from traditional insurance products.

Under the bill, existing law is modernized by differentiating certain legal service plans from traditional insurance products. Such legal service plans are not insurance because they do not require the payment of claims; assumption of risk; or reimbursement or indemnification for legal services or expenses.

STATEMENT TO

ASSEMBLY, No. 3802

with Senate Floor Amendments
(Proposed by Senator BURGESS)

ADOPTED: FEBRUARY 25, 2025

This floor amendment clarifies the term “legal insurance”:

(1) to mean the assumption of a contractual obligation to provide specified legal services or reimbursement for legal expenses in consideration of a specified payment for an interval of time; and

(2) to exclude arrangements through which members prepay for specified legal services, which are available to the members, or their dependents, through an organization that contracts directly with attorneys for the provision of the specified legal services and the organization pays the attorneys fixed, pre-arranged payments and the attorneys receive no additional payment or reimbursement from the organization for the specified legal services or the specified legal expenses.

SENATE, No. 3061

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED APRIL 8, 2024

Sponsored by:

Senator RENEE C. BURGESS

District 28 (Essex and Union)

Senator JOSEPH PENNACCHIO

District 26 (Morris and Passaic)

SYNOPSIS

Differentiates certain legal services from traditional insurance products.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 11/18/2024)

1 AN ACT concerning legal insurance and amending P.L.1981, c.160.

2

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

5

6 1. Section 3 of P.L.1981, c.160 (C.17:46C-3) is amended to
7 read as follows:

8 3. As used in this act:

9 a. "Commissioner" means the Commissioner of Banking and
10 Insurance.

11 b. "Insurer" means any person who obtains a certificate of
12 authority in accordance with the provisions of section 4 of this act
13 and any person authorized to transact the business of insurance
14 under Subtitle 3 of Title 17 of the Revised Statutes or Subtitle 3 of
15 Title 17B of the New Jersey Statutes.

16 c. "Legal insurance" means the assumption of a contractual
17 obligation to **[provide]** pay or reimburse for specified legal services
18 or **[reimbursement for]** specified legal expenses, in consideration
19 of a specified payment for an interval of time, regardless of whether
20 the payment is made by the beneficiaries individually or by a third
21 person for them, in such a manner that the total cost incurred by
22 assuming the obligation is to be spread directly or individually
23 among a group of persons. The payment of an administrative fee to
24 an attorney shall not be considered payment or reimbursement for
25 specified legal services or specified legal expenses for the purposes
26 of this definition. Legal insurance shall not include the provision of
27 or reimbursement for legal services incidental to other insurance
28 coverages such as the duty to defend, nor shall the following be
29 considered legal insurance under the laws of this State:

30 (1) Retainer contracts made with individual clients with the fees
31 based on estimates of the nature and the amount of services that will
32 be provided to the specific client, and similar contracts made with a
33 group of clients involved in the same or closely related legal
34 matters such as class actions.

35 (2) Plans providing no benefits other than a limited amount of
36 consultation and advice on simple matters either alone or in
37 combination with referral services or the promise of fee discounts
38 for other matters.

39 (3) Plans providing limited benefits on simple legal matters on
40 an informal basis not involving a legally binding promise, in the
41 context of an employment or educational or similar relationship.

42 (4) Legal services provided by unions or employee associations
43 to their members in matters relating to employment or occupation.

44 (5) Employee benefit plans regulated by the "Employee
45 Retirement Income Security Act of 1974," (P.L. 93-406, 29 U.S.C.
46 1001 et seq.).

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.

1 (6) Plans or legal services provided by a legal aid office or
2 public defender office, a military legal assistance office, a lawyer
3 referral service operated, sponsored or approved by a bar
4 association representative of the general bar of the geographical
5 area in which the association exists, or any other nonprofit
6 organization that recommends, furnishes or pays for legal services
7 to its members or beneficiaries in a manner incidental and
8 reasonably related to a primary purpose of such organization to
9 promote a public interest, including, without limitation, defense of
10 human and civil rights, elimination of prejudice and discrimination
11 as to race, religion, sex and national origin, lessening neighborhood
12 tensions, preservation of scenic beauty, combatting or preventing
13 pollution, preservation of natural resources, protection of consumer
14 interest, promotion of cultural, historical or other educational
15 activities, and prevention of cruelty to animals.

16 As used herein, “contractual obligation” includes any
17 arrangement in which those persons for whom services are to be
18 provided under the arrangement have reasonable expectations of
19 enforceable rights.

20 (cf: P.L.1981, c.160, s.3)

21

22 2. This act shall take effect on the 90th day next following
23 enactment.

24

25

26

STATEMENT

27

28 This bill differentiates certain legal service plans from traditional
29 insurance products.

30 Under the bill, existing law is modernized by differentiating
31 certain legal service plans from traditional insurance
32 products. Such legal service plans are not insurance because they
33 do not require the payment of claims; assumption of risk; or
34 reimbursement or indemnification for legal services or expenses.

[First Reprint]

SENATE, No. 3061

STATE OF NEW JERSEY
221st LEGISLATURE

INTRODUCED APRIL 8, 2024

Sponsored by:

Senator RENEE C. BURGESS

District 28 (Essex and Union)

Senator JOSEPH PENNACCHIO

District 26 (Morris and Passaic)

SYNOPSIS

Differentiates certain legal services from traditional insurance products.

CURRENT VERSION OF TEXT

As amended by the Senate on February 25, 2025.



(Sponsorship Updated As Of: 11/18/2024)

1 AN ACT concerning legal insurance and amending P.L.1981, c.160.

2

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

5

6 1. Section 3 of P.L.1981, c.160 (C.17:46C-3) is amended to
7 read as follows:

8 3. As used in this act:

9 a. "Commissioner" means the Commissioner of Banking and
10 Insurance.

11 b. "Insurer" means any person who obtains a certificate of
12 authority in accordance with the provisions of section 4 of this act
13 and any person authorized to transact the business of insurance
14 under Subtitle 3 of Title 17 of the Revised Statutes or Subtitle 3 of
15 Title 17B of the New Jersey Statutes.

16 c. "Legal insurance" means the assumption of a contractual
17 obligation to **[provide]** ¹**[pay or reimburse for]** provide¹ specified
18 legal services or **[reimbursement for]** ¹**[specified]** reimbursement
19 for¹ legal expenses¹**[.]**¹ in consideration of a specified payment for
20 an interval of time, regardless of whether the payment is made by
21 the beneficiaries individually or by a third person for them, in such
22 a manner that the total cost incurred by assuming the obligation is
23 to be spread directly or individually among a group of persons.
24 ¹**[The payment of an administrative fee to an attorney shall not be**
25 **considered payment or reimbursement for specified legal services or**
26 **specified legal expenses for the purposes of this definition.]**¹ Legal
27 insurance shall not include the provision of or reimbursement for
28 legal services incidental to other insurance coverages such as the
29 duty to defend, nor shall the following be considered legal
30 insurance under the laws of this State:

31 (1) Retainer contracts made with individual clients with the fees
32 based on estimates of the nature and the amount of services that will
33 be provided to the specific client, and similar contracts made with a
34 group of clients involved in the same or closely related legal
35 matters such as class actions.

36 (2) Plans providing no benefits other than a limited amount of
37 consultation and advice on simple matters either alone or in
38 combination with referral services or the promise of fee discounts
39 for other matters.

40 (3) Plans providing limited benefits on simple legal matters on
41 an informal basis not involving a legally binding promise, in the
42 context of an employment or educational or similar relationship.

43 (4) Legal services provided by unions or employee associations
44 to their members in matters relating to employment or occupation.

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate floor amendments adopted February 25, 2025.

1 (5) Employee benefit plans regulated by the “Employee
2 Retirement Income Security Act of 1974,” (P.L. 93-406, 29 U.S.C.
3 1001 et seq.).

4 (6) Plans or legal services provided by a legal aid office or
5 public defender office, a military legal assistance office, a lawyer
6 referral service operated, sponsored or approved by a bar
7 association representative of the general bar of the geographical
8 area in which the association exists, or any other nonprofit
9 organization that recommends, furnishes or pays for legal services
10 to its members or beneficiaries in a manner incidental and
11 reasonably related to a primary purpose of such organization to
12 promote a public interest, including, without limitation, defense of
13 human and civil rights, elimination of prejudice and discrimination
14 as to race, religion, sex and national origin, lessening neighborhood
15 tensions, preservation of scenic beauty, combatting or preventing
16 pollution, preservation of natural resources, protection of consumer
17 interest, promotion of cultural, historical or other educational
18 activities, and prevention of cruelty to animals.

19 ¹(7) Arrangements through which members prepay for specified
20 legal services, which are available to the members, or their
21 dependents, through an organization that contracts directly with
22 attorneys for the provision of the specified legal services and the
23 organization pays the attorneys fixed, pre-arranged payments and
24 the attorneys receive no additional payment or reimbursement from
25 the organization for the specified legal services or the specified
26 legal expenses.¹

27 As used herein, “contractual obligation” includes any
28 arrangement in which those persons for whom services are to be
29 provided under the arrangement have reasonable expectations of
30 enforceable rights.

31 (cf: P.L.1981, c.160, s.3)

32

33 2. This act shall take effect on the 90th day next following
34 enactment.

SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 3061

STATE OF NEW JERSEY

DATED: DECEMBER 12, 2024

The Senate Commerce Committee reports favorably Senate Bill No. 3061.

This bill differentiates certain legal service plans from traditional insurance products.

Under the bill, existing law is modernized by differentiating certain legal service plans from traditional insurance products. Such legal service plans are not insurance because they do not require the payment of claims; assumption of risk; or reimbursement or indemnification for legal services or expenses.

STATEMENT TO

SENATE, No. 3061

with Senate Floor Amendments
(Proposed by Senator BURGESS)

ADOPTED: FEBRUARY 25, 2025

This floor amendment clarifies the term “legal insurance”:

(1) to mean the assumption of a contractual obligation to provide specified legal services or reimbursement for legal expenses in consideration of a specified payment for an interval of time; and

(2) to exclude arrangements through which members prepay for specified legal services, which are available to the members, or their dependents, through an organization that contracts directly with attorneys for the provision of the specified legal services and the organization pays the attorneys fixed, pre-arranged payments and the attorneys receive no additional payment or reimbursement from the organization for the specified legal services or the specified legal expenses.

ASSEMBLY BILL NO. **3802**
(First Reprint)

To the General Assembly:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Assembly Bill No. 3802 (First Reprint) with my recommendations for reconsideration.

Assembly Bill No. 3802 (First Reprint) would amend the definition of "legal insurance" in the "New Jersey Legal Services Insurance Act," N.J.S.A. 17:46C-1 et seq. (the "Act"), to provide that arrangements through which consumers prepay for specified legal services through an organization that contracts directly with attorneys for the provision of those services are not legal insurance. Under the bill, an organization that pays attorneys fixed, pre-arranged payments to perform legal services, with the attorneys receiving no additional payment or reimbursement from the organization for such services, would no longer be considered an insurance product and would be free from regulation by the Department of Banking and Insurance ("DOBI") under the Act.

For decades, these types of products have been regulated, ensuring that policies are understandable for consumers, legal insurance is sold through properly qualified and licensed agents, and legal insurers are financially sound and maintain adequate reserves to provide promised benefits.

The Act's regulatory scheme is intended to protect consumers by ensuring that minimum standards are met and that consumers are not at risk of confusion or being intentionally or unintentionally misled. DOBI also approves all policy forms, rating systems, and rates. Assembly Bill No. 3802 (First Reprint) would remove certain types of prepaid arrangements for legal services from both the regulatory scheme established by the Act, and from DOBI oversight, essentially deregulating a product that has been regulated for decades. The proponents of this bill suggest that the Judiciary's

regulation of attorneys provides adequate oversight of these products and have questioned whether DOBI is the proper regulatory agency to oversee them. I do not agree that existing regulation of attorney conduct alone is sufficient to justify exempting prepaid arrangements for legal services from regulation. A regulatory framework specific to these products is necessary to ensure the protection of consumers who utilize them.

Nevertheless, after reviewing the public commentary on the bill and hearing from the bill's proponents, I understand that the nature of legal insurance products has evolved in the years since the enactment of the Act. In light of the changing legal insurance market, I am suggesting amendments that will lessen the regulatory burden imposed under the Act, with respect to the types of prepaid legal insurance plans described in the bill, by allowing employees and authorized representatives of certain legal insurers to sell prepaid legal insurance plan products to consumers without being subject to individual producer licensure. To ensure that consumers remain adequately protected, the entity issuing the prepaid legal insurance plan will be required to closely supervise its employees and authorized representatives and to ensure that they are properly trained. The changes that I am recommending will modernize our licensing system and make it easier for businesses to operate in the State while still providing expansive safeguards, including form and rate standards, to protect consumers from fraud, deceit, misrepresentation, and professional misconduct.

Therefore, I herewith return Assembly Bill No. 3802 (First Reprint) and recommend that it be amended as follows:

Page 2, Title, Line 1: Delete "amending" and insert "supplementing"

Page 2, Title, Line 1: After "P.L.1981, c.160" insert "(C.17:46C-1 et seq.)"

Page 2, Section 1, Line 6:

Delete "Section 3 of P.L.1981, c.160 (C.17:46C-3) is amended to read" and insert "a. A prepaid legal insurance plan shall be considered "legal insurance" subject to all provisions of the "New Jersey Legal Services Insurance Act" except as provided in this section. Notwithstanding the provisions of any other law to the contrary, a person shall not sell, or offer to sell, coverage under a prepaid legal insurance plan unless licensed as a limited lines prepaid legal insurance plan producer pursuant to the provisions of the "New Jersey Insurance Producer Licensing Act of 2001," P.L.2001, c.210 (C.17:22A-26 et seq.) or as authorized under this section. Notwithstanding the provisions of section 14 of P.L.1981, c.160 (C.17:46C-14) or any law to the contrary, a person authorized to sell or offer to sell prepaid legal insurance plans to consumers under this section may be paid commissions through an entity or a designated representative of the entity that obtains a limited lines prepaid legal insurance producer plan license.

b. The employees and authorized representatives of an entity that obtains a certificate of authority under the "New Jersey Legal Services Insurance Act," P.L.1981, c.160 (C.17:46C-1 et seq.), may sell or offer to sell prepaid legal insurance plans to consumers as permitted by this section and shall not be subject to individual licensure as an insurance producer under P.L.2001, c.210 (C.17:22A-26 et seq.) as a condition of selling or offering to sell prepaid legal insurance plans to consumers, provided that:

(1) The entity or a designated representative of the entity obtains a limited lines prepaid legal insurance producer plan license to authorize its employees or authorized representatives to sell or offer prepaid legal insurance plans pursuant to this section;

(2) The entity possessing the certificate of authority and issuing the prepaid legal insurance plan either directly supervises, or appoints a supervising entity that is a licensed limited lines prepaid legal insurance plan producer to supervise, the employees and authorized representatives selling or offering to sell prepaid legal insurance plans pursuant to this section; and

(3) The entity possessing the certificate of authority and issuing the prepaid legal insurance plans develops a training program for employees selling or offering to sell prepaid legal insurance plans. The training required by this paragraph shall: (a) be delivered to every employee and authorized representative who is directly engaged in the activity of selling or offering prepaid legal insurance plans; and (b) include basic instruction about the prepaid legal insurance plans offered to consumers including the provisions of the prepaid legal insurance plan and the requirements of the "New Jersey Legal Services Insurance Act," P.L.1981, c.160 (C.17:46C-1 et seq.).

c. Consistent with the provisions of the "New Jersey Insurance Producer Licensing Act of 2001," P.L.2001, c.210 (C.17:22A-26 et seq.), an application for a limited lines insurance producer license under this section shall be made to and filed with the Department of Banking and Insurance on forms prescribed and furnished by the commissioner.

d. Limited lines prepaid legal insurance plan producer licenses issued pursuant to this section shall renew biennially in accordance with regulations promulgated by the commissioner.

e. Each entity shall pay to the commissioner a fee as prescribed by the commissioner for an initial limited lines prepaid legal insurance plan

producer license and for each renewal thereof.

f. For purposes of this section, "prepaid legal insurance plan" means legal insurance that consists of an arrangement through which members prepay for specified legal services, which are available to the members, or their dependents, through an organization that contracts directly with attorneys for the provision of the specified legal services and the organization pays the attorneys fixed, pre-arranged payments and the attorneys receive no additional payment or reimbursement from the organization for the specified legal services or the specified legal expenses."

Page 2, Section 1, Lines 7-44:

Delete in their entirety

Page 3, Section 1, Lines 1-30:

Delete in their entirety

[seal]

Respectfully,

/s/ Philip D. Murphy

Governor

Attest:

/s/ Kate E. McDonnell

Chief Counsel to the Governor

Governor Murphy Takes Action on Legislation

Posted on - 12/19/2025

TRENTON – Today, Governor Murphy signed the following bills into law, with the Governor's recommendation following concurrences by the legislature:

S-1447/A-4053 (Singleton/Lopez, Speight) - Transfers New Jersey Historic Trust from Department of State to DCA and makes certain changes related to trustees and powers

S-2038/A-3581 (Gopal, Cryan/Carter, Quijano) - Requires public institution of higher education to post certain information on institution's website

S-3153/A-4543 (Ruiz, Cryan/Haider, Speight, Sumter) - Prohibits DCF from using federal benefits received by a child in out of home placement to reimburse State for cost of child's care, except under certain circumstances

S-4400/A-5547 (Johnson, Turner/Verrelli) - Extends hours that minor employed by national sports association, league, or team may work under certain circumstances

S-4472/A-5859 (Lagana, Wimberly/Abdelaziz, Tully, Collazos-Gill) - Eliminates five percent down payment requirement for local bond ordinances involving hazard mitigation and resilience projects

S-4524/A-5862 (Turner, Testa/Bailey, Miller, Freiman) - Appropriates \$34 million from constitutionally dedicated CBT revenues to State Agriculture Development Committee for county planning incentive grants for farmland preservation purposes

S-4531/A-5861 (Burzichelli, Testa/Egan, Katz, Donlon) - Appropriates \$52,798,268 from constitutionally dedicated CBT revenues and other farmland preservation funds to State Agriculture Development Committee for farmland preservation purposes

S-4551/A-5865 (Beach, Space/Bagolie, Calabrese, Spearman) - Appropriates \$3,750,990 from constitutionally dedicated CBT revenues to State Agriculture Development Committee for grants to certain nonprofit organizations for farmland preservation purposes

S-4566/A-5863 (Cruz-Perez/Hutchison, Park, Bailey) - Appropriates \$500,000 from constitutionally dedicated CBT revenues to State Agriculture Development Committee for municipal planning incentive grants for farmland preservation purposes

S-4569/A-5864 (Smith, Singleton/Drulis, Reynolds-Jackson, Moen) - Appropriates \$13,640,000 to DEP from constitutionally dedicated CBT revenues for grants to certain nonprofit entities for open space acquisition, park development, and planning projects, and for certain administrative expenses

SJR-100/AJR-150 (Singleton/Venezia, Sumter) - Designates July of each year as "Cleft and Craniofacial Awareness and Prevention Month" in NJ

A-3802wGR/S-3061 (Reynolds-Jackson, Wimberly, Freiman/Burgess, Pennacchio) - Differentiates certain legal services from traditional insurance products

A-4331wGR/S-3227 (Speight, Atkins, Bagolie/McKnight, Turner) - Establishes licensure for cosmetic retail services

A-4712wGR/S-3504 (Tucker, Marengo/Cryan, Vitale, Johnson) - Establishes Office of Veteran Advocate and ombudsman for DMVA; appropriates funds

A-5130wGR/S-4128 (Schnall, Karabinchak, Calabrese/Moriarty, Wimberly) - Requires enforcing agency to conduct inspection of construction in specified time window

A-5264wGR/S-4100 (Karabinchak, Haider, Spearman/McKeon, Greenstein) - Requires establishment of automated platform to expedite construction code approval of applications to install residential solar energy systems

A-5309wGR/S-4147 (Simmons, Freiman, Donlon/Burzichelli, McKnight) - Permits up to three credits of continuing medical education on menopause to be used by nurses and physicians for license renewal

A-5854wGR/S-4614 (Azzariti/Schepisi, Sarlo) - Allows certain motor vehicle franchisors to sell, lease, or assign vehicles to employees