

39:13-2.1

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2011 **CHAPTER:** 127

NJSA: 39:13-2.1 (Clarifies type of liability insurance coverage certain licensed auto body repair facilities must carry)

BILL NO: A1467 (Substituted for S2590)

SPONSOR(S) Wisniewski and others

DATE INTRODUCED: January 12, 2010

COMMITTEE: **ASSEMBLY:** Financial Institutions and Insurance

SENATE: Commerce

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** June 29, 2011

SENATE: May 23, 2011

DATE OF APPROVAL: September 16, 2011

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (First reprint enacted)

A1467

SPONSOR'S STATEMENT: (Begins on page 4 of introduced bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

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: No

LEGISLATIVE FISCAL NOTE: No

S2590

SPONSOR'S STATEMENT: (Begins on page 3 of introduced bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: Yes

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL NOTE: No

(continued)

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

LAW/KR

P.L.2011, CHAPTER 127, *approved September 16, 2011*
Assembly, No. 1467 (*First Reprint*)

1 AN ACT concerning auto body repair facilities and amending
2 P.L.2001, c.53.

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

6
7 1. Section 7 of P.L.2001, c.53 (C.39:13-2.1) is amended to read
8 as follows:

9 7. a. To qualify for a full service license an auto body repair
10 facility shall:

11 (1) Have a building suitable for the conduct of all operations
12 within the building, and a Certificate of Occupancy for an auto
13 body repair facility issued by the applicable zoning authority. In
14 the absence of evidence to the contrary, public operation as an auto
15 body repair facility for a continuous period of five years shall create
16 a presumption of compliance;

17 (2) Have all required licenses, permits and registrations required
18 for the conduct of business including, but not limited to: a federal
19 tax identification number; a New Jersey sales tax identification
20 number; hazardous waste disposal systems that are in accordance
21 with standards established by the State or federal government; stack
22 permits; and any other licenses, permits and registrations as the
23 director may find applicable;

24 (3) Maintain insurance coverage for damage to property and for
25 liability arising from bodily injury, including, but not limited to:
26 'eligible' garage liability 'or equivalent commercial general
27 liability'¹ insurance in a minimum amount of \$300,000 or a letter of
28 credit in the amount of \$300,000; garage keepers' liability
29 insurance in a minimum amount of **[\$300,000]** \$50,000 or a letter
30 of credit in the amount of **[\$300,000]** \$50,000; workers'
31 compensation insurance coverage in the amounts required pursuant
32 to R.S.34:15-1 et seq.; fire insurance, and any other coverage
33 required by the director;

34 (4) Possess and maintain an auto body repair facility reference
35 source for estimating the cost of repairs, which reference source is
36 generally accepted by the auto body repair industry. The reference
37 source may be in either book or computerized form;

38 (5) Possess and maintain equipment to safely raise and support
39 vehicles for inspection and repair;

40 (6) Possess and maintain a metal inert gas welder;

41 (7) Possess, maintain and utilize for all spray painting:

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 SCM committee amendments adopted May 12, 2011.

- 1 (a) an enclosed area for refinishing which complies with all
2 applicable safety, fire, environmental and other regulations;
- 3 (b) the means to supply fresh air to workers within the spray
4 area when using materials that require breathable air to be supplied;
5 and
- 6 (c) a filtration method to reduce particles from the air exhausted
7 from the spray area which is established in accordance with
8 standards established by the State or federal government;
- 9 (8) Have equipment necessary to perform or the means for
10 performing structural repair including, but not limited to: equipment
11 to make multiple body and chassis pulls to straighten damaged
12 vehicle components; equipment to anchor a unibody vehicle at four
13 points; a three dimensional measuring device suitable to measure
14 structural dimensions of symmetrical and non-symmetrical vehicles;
15 and dimensional guides appropriate to the vehicles being repaired;
- 16 (9) Have equipment necessary to perform or the means for
17 performing vehicle four-wheel alignment;
- 18 (10) Have (a) equipment necessary to perform or the means for
19 performing vehicle air conditioner servicing including the means to
20 evacuate, recycle, and recharge refrigerants and (b) a technician-
21 employee certified to perform such repairs;
- 22 (11) Have equipment necessary to perform or the means for
23 performing mechanical repairs necessitated by collision damage;
24 and
- 25 (12) Provide evidence that at least one employee or ten (10%)
26 percent, whichever is greater, of the employees performing repairs
27 at the auto body repair facility have completed a recognized auto
28 body repair related training course during the year immediately
29 preceding the application for or renewal of licensure as a full
30 service auto body repair facility. Training courses available
31 through ICAR (Inter-Industry Conference on Auto Collision
32 Repair), the manufacturer's representative or a generally recognized
33 auto body repair training program shall qualify to satisfy the
34 requirement.
- 35 b. An auto body repair facility may, however, qualify for a full
36 service license if it meets all of the conditions established by
37 paragraphs (1), (2), (3), (4), (5), (6), (7) and (12) of subsection a. of
38 this section and has a written agreement to subcontract with another
39 auto body repair facility licensee or other party to perform the work
40 for which the equipment set forth in paragraph (8), (9), (10) or (11)
41 of subsection a. of this section is required provided, however, that
42 the other party meets the requirements set forth in those paragraphs
43 with regard to equipment or the means for performing the required
44 tasks and training.
- 45 (cf: P.L.2001, c.53, s.7)

46
47 2. This act shall take effect immediately.

A1467 [1R]

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1

2

3 Clarifies type of liability insurance coverage certain licensed

4 auto body repair facilities must carry.

ASSEMBLY, No. 1467

STATE OF NEW JERSEY 214th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2010 SESSION

Sponsored by:

Assemblyman JOHN S. WISNIEWSKI

District 19 (Middlesex)

Assemblyman JACK CONNERS

District 7 (Burlington and Camden)

Assemblyman VINCENT PRIETO

District 32 (Bergen and Hudson)

SYNOPSIS

Clarifies type of liability insurance coverage certain licensed auto body repair facilities must carry.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



(Sponsorship Updated As Of: 5/7/2010)

1 AN ACT concerning auto body repair facilities and amending
2 P.L.2001, c.53.

3

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

6

7 1. Section 7 of P.L.2001, c.53 (C.39:13-2.1) is amended to read
8 as follows:

9 7. a. To qualify for a full service license an auto body repair
10 facility shall:

11 (1) Have a building suitable for the conduct of all operations
12 within the building, and a Certificate of Occupancy for an auto
13 body repair facility issued by the applicable zoning authority. In
14 the absence of evidence to the contrary, public operation as an auto
15 body repair facility for a continuous period of five years shall create
16 a presumption of compliance;

17 (2) Have all required licenses, permits and registrations required
18 for the conduct of business including, but not limited to: a federal
19 tax identification number; a New Jersey sales tax identification
20 number; hazardous waste disposal systems that are in accordance
21 with standards established by the State or federal government; stack
22 permits; and any other licenses, permits and registrations as the
23 director may find applicable;

24 (3) Maintain insurance coverage for damage to property and for
25 liability arising from bodily injury, including, but not limited to:
26 garage liability insurance in a minimum amount of \$300,000 or a
27 letter of credit in the amount of \$300,000; garage keepers' liability
28 insurance in a minimum amount of **[\$300,000]** \$50,000 or a letter
29 of credit in the amount of **[\$300,000]** \$50,000; workers'
30 compensation insurance coverage in the amounts required pursuant
31 to R.S.34:15-1 et seq.; fire insurance, and any other coverage
32 required by the director;

33 (4) Possess and maintain an auto body repair facility reference
34 source for estimating the cost of repairs, which reference source is
35 generally accepted by the auto body repair industry. The reference
36 source may be in either book or computerized form;

37 (5) Possess and maintain equipment to safely raise and support
38 vehicles for inspection and repair;

39 (6) Possess and maintain a metal inert gas welder;

40 (7) Possess, maintain and utilize for all spray painting:

41 (a) an enclosed area for refinishing which complies with all
42 applicable safety, fire, environmental and other regulations;

43 (b) the means to supply fresh air to workers within the spray area
44 when using materials that require breathable air to be supplied; and

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 (c) a filtration method to reduce particles from the air exhausted
2 from the spray area which is established in accordance with
3 standards established by the State or federal government;

4 (8) Have equipment necessary to perform or the means for
5 performing structural repair including, but not limited to: equipment
6 to make multiple body and chassis pulls to straighten damaged
7 vehicle components; equipment to anchor a unibody vehicle at four
8 points; a three dimensional measuring device suitable to measure
9 structural dimensions of symmetrical and non-symmetrical vehicles;
10 and dimensional guides appropriate to the vehicles being repaired;

11 (9) Have equipment necessary to perform or the means for
12 performing vehicle four-wheel alignment;

13 (10) Have (a) equipment necessary to perform or the means for
14 performing vehicle air conditioner servicing including the means to
15 evacuate, recycle, and recharge refrigerants and (b) a technician-
16 employee certified to perform such repairs;

17 (11) Have equipment necessary to perform or the means for
18 performing mechanical repairs necessitated by collision damage;
19 and

20 (12) Provide evidence that at least one employee or ten (10%)
21 percent, whichever is greater, of the employees performing repairs
22 at the auto body repair facility have completed a recognized auto
23 body repair related training course during the year immediately
24 preceding the application for or renewal of licensure as a full
25 service auto body repair facility. Training courses available
26 through ICAR (Inter-Industry Conference on Auto Collision
27 Repair), the manufacturer's representative or a generally recognized
28 auto body repair training program shall qualify to satisfy the
29 requirement.

30 b. An auto body repair facility may, however, qualify for a full
31 service license if it meets all of the conditions established by
32 paragraphs (1), (2), (3), (4), (5), (6), (7) and (12) of subsection a. of
33 this section and has a written agreement to subcontract with another
34 auto body repair facility licensee or other party to perform the work
35 for which the equipment set forth in paragraph (8), (9), (10) or (11)
36 of subsection a. of this section is required provided, however, that
37 the other party meets the requirements set forth in those paragraphs
38 with regard to equipment or the means for performing the required
39 tasks and training.

40 (cf: P.L.2001, c.53, s.7)

41

42 2. This act shall take effect immediately.

1 STATEMENT

2

3 This bill clarifies the type of insurance coverage for damage to
4 property and for liability arising from bodily injury that an auto
5 body repair facility must maintain to obtain a full service license.
6 The bill provides that such insurance coverage shall include, but not
7 be limited to, garage liability insurance, in a minimum amount of
8 \$300,000, and garage keepers' liability insurance in an amount of
9 \$50,000, or a letter of credit for each in the amount of \$300,000 and
10 \$50,000, respectively.

11 Garage liability insurance protects garage owners for liabilities
12 arising out of their business operations, while garage keepers'
13 liability insurance protects garage owners against liability for
14 damage to vehicles under the garage owners' care, custody or
15 control caused by specific perils, such as fire, theft or vandalism.

ASSEMBLY FINANCIAL INSTITUTIONS AND INSURANCE
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1467

STATE OF NEW JERSEY

DATED: OCTOBER 18, 2010

The Assembly Financial Institutions and Insurance Committee reports favorably Assembly Bill No. 1467.

This bill clarifies the type of insurance coverage for damage to property and for liability arising from bodily injury that an auto body repair facility must maintain to obtain a full service license. The bill provides that such insurance coverage shall include, but not be limited to, garage liability insurance, in a minimum amount of \$300,000, and garage keepers' liability insurance in an amount of \$50,000, or a letter of credit for each in the amount of \$300,000 and \$50,000, respectively.

Garage liability insurance protects garage owners for liabilities arising out of their business operations, while garage keepers' liability insurance protects garage owners against liability for damage to vehicles under the garage owners' care, custody or control caused by specific perils, such as fire, theft or vandalism.

This bill was pre-filed for introduction in the 2010-2011 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

SENATE COMMERCE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1467

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 12, 2011

The Senate Commerce Committee reports favorably and with committee amendments Assembly Bill No. 1467.

This bill, as amended, clarifies the type of insurance coverage for damage to property and for liability arising from bodily injury that an auto body repair facility must maintain to obtain a full service license. The bill provides that such insurance coverage shall include, but not be limited to, eligible garage liability insurance or equivalent commercial general liability insurance, in a minimum amount of \$300,000, and garage keepers' liability insurance in a minimum amount of \$50,000, or a letter of credit for each in the amount of \$300,000 and \$50,000, respectively.

Garage liability insurance protects garage owners for liabilities arising out of their business operations, while garage keepers' liability insurance protects garage owners against liability for damage to vehicles under the garage owners' care, custody or control caused by specific perils, such as fire, theft or vandalism.

Committee Amendments:

The committee amended the bill to clarify that the insurance required to be maintained by an auto body repair facility, in the case of garage liability insurance, may also be equivalent commercial general liability insurance.

SENATE, No. 2590

STATE OF NEW JERSEY 214th LEGISLATURE

INTRODUCED DECEMBER 30, 2010

Sponsored by:

Senator STEVEN V. OROHO

District 24 (Sussex, Hunterdon and Morris)

SYNOPSIS

Clarifies type of liability insurance coverage certain licensed auto body repair facilities must carry.

CURRENT VERSION OF TEXT

As introduced.



S2590 OROHO

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S2590 OROHO

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STATEMENT

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S2590 OROHO

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SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 2590

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 12, 2011

The Senate Commerce Committee reports favorably and with committee amendments Senate Bill No. 2590.

This bill, as amended, clarifies the type of insurance coverage for damage to property and for liability arising from bodily injury that an auto body repair facility must maintain to obtain a full service license. The bill provides that such insurance coverage shall include, but not be limited to, eligible garage liability insurance or equivalent commercial general liability insurance, in a minimum amount of \$300,000, and garage keepers' liability insurance in a minimum amount of \$50,000, or a letter of credit for each in the amount of \$300,000 and \$50,000, respectively.

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