

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: Yes

"Christie signs bill to teach teens about loans," The Record, 1-15-13

"Christie Takes Action and Signs 4 Bills into Law," NewJerseyNewsroom.com, 1-15-13

LAW/RWH

P.L.2013, CHAPTER 2, *approved January 14, 2013*
Assembly, No. 1968 (*First Reprint*)

1 AN ACT concerning blanket bonds for certain local officers and
2 employees and amending P.L.1967, c.283 and N.J.S.40A:5-36.

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

6
7 1. Section 1 of P.L.1967, c.283 (C.40A:5-34.1) is amended to
8 read as follows:

9 1. The board of chosen freeholders of any county or the
10 governing body of any municipality, as the case may be, may
11 provide by blanket bond for the bonding of certain county or
12 municipal officers and employees for faithful performance and
13 discharge of their duties. Blanket bond coverage may be by one or
14 more blanket bonds issued by a surety company or companies or
15 one or more underwriters or by a joint insurance fund established
16 pursuant to P.L.1983, c.372 (C.40A:10-36 et seq.) of which the
17 county or municipality is a member. Blanket bond coverage may be
18 provided by a surety company or companies or one or more
19 underwriters in lieu of an individual bond as to any officer or
20 employee required by law to be bonded, **[except]** including
21 treasurers and tax collectors, by whatever title known, and [except]
22 municipal court judges and administrators, provided the blanket
23 bond meets the requirements for the individual bond in amount,
24 rights of cancellation, and the governmental agencies in whose
25 favor it runs¹; and further provided the coverage under the blanket
26 bond for the individuals holding any of the specifically named
27 aforementioned positions shall be subject to the application of
28 individual rating criteria and underwriting standards that consider
29 the risk and potential liability presented by the individuals covered
30 by the blanket bond as if the individuals were covered by an
31 individual bond¹. Blanket bond coverage may be provided by a
32 joint insurance fund in lieu of an individual bond as to any officer
33 or employee required by law to be bonded, including treasurers and
34 tax collectors, by whatever title known, and municipal court judges
35 and administrators, provided the blanket bond meets the
36 requirements for the individual bond in amount, rights of
37 cancellation, and the governmental agencies in whose favor it runs¹;
38 and further provided the coverage under the blanket bond for the
39 individuals holding any of the specifically named aforementioned
40 positions shall be subject to the application of individual rating
41 criteria and underwriting standards that consider the risk 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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly floor amendments adopted February 16, 2012.

1 potential liability presented by the individuals covered by the
2 blanket bond as if the individuals were covered by an individual
3 bond¹.

4 Whenever a copy of an individual bond is required by law to be
5 filed with or supplied to specified officers, evidence of blanket
6 bond coverage filed with or supplied to such officers by the board
7 of chosen freeholders or governing body shall be compliance with
8 such requirement.

9 (cf: P.L.2006, c.50, s.1)

10

11 2. N.J.S.40A:5-36 is amended to read as follows:

12 40A:5-36. Every bond given by a municipal court judge or
13 administrator of a municipal court as hereinafter provided shall be
14 for the protection of the State, the county and the municipality or,
15 in the case of an intermunicipal court, the municipalities, and also
16 for the protection of defendants, litigants, bondsmen and all other
17 persons in interest. A bond pursuant to this section may be
18 provided by a surety company authorized to do business in New
19 Jersey or by a joint insurance fund through blanket bond coverage
20 pursuant to section 1 of P.L.1967, c.283 (C.40A:5-34.1).

21 (cf: P.L.2006, c.50, s.2)

22

23 3. This act shall take effect immediately.

24

25

26

27

28 _____
29 Permits surety companies to issue blanket bonds for certain local
30 government officers and employees; applies rating criteria and
underwriting standards to blanket bond coverage.

ASSEMBLY, No. 1968

STATE OF NEW JERSEY
215th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2012 SESSION

Sponsored by:

Assemblyman JOHN F. MCKEON

District 27 (Essex and Morris)

Co-Sponsored by:

Assemblywoman Spencer and Assemblyman Coughlin

SYNOPSIS

Permits surety companies to issue blanket bonds for municipal treasurers and tax collectors, and municipal court judges and administrators.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



A1968 MCKEON

2

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32 Whenever a copy of an individual bond is required by law to be
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41 administrator of a municipal court as hereinafter provided shall be
42 for the protection of the State, the county and the municipality or,
43 in the case of an intermunicipal court, the municipalities, and also
44 for the protection of defendants, litigants, bondsmen and all other
45 persons in interest. A bond pursuant to this section may be

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

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1 provided by a surety company authorized to do business in New
2 Jersey or by a joint insurance fund through blanket bond coverage
3 pursuant to section 1 of P.L.1967, c.283 (C.40A:5-34.1).
4 (cf: P.L.2006, c.50, s.2)

5

6 3. This act shall take effect immediately.

7

8

9

STATEMENT

10

11 This bill would permit surety companies to issue blanket bonds
12 that cover municipal treasurers, tax collectors, municipal court
13 judges, and municipal court administrators. Currently, these
14 officers and employees cannot be covered under a blanket bond
15 issued by a surety company. This bill is intended to increase
16 competition in the blanket bond market, thereby helping to reduce
17 costs for local property taxpayers.

ASSEMBLY FINANCIAL INSTITUTIONS AND INSURANCE
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1968

STATE OF NEW JERSEY

DATED: JANUARY 30, 2012

The Assembly Financial Institutions and Insurance Committee reports favorably Assembly Bill No. 1968.

This bill permits surety companies to issue blanket bonds that cover municipal treasurers, tax collectors, municipal court judges, and municipal court administrators. Currently, these officers and employees cannot be covered under a blanket bond issued by a surety company. This bill is intended to increase competition in the blanket bond market, thereby helping to reduce costs for local property taxpayers.

This bill was pre-filed for introduction in the 2012-2013 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

STATEMENT TO
ASSEMBLY, No. 1968

with Assembly Floor Amendments
(Proposed by Assemblyman MCKEON)

ADOPTED: FEBRUARY 16, 2012

These amendments provide that as to blanket bond coverage provided by surety companies or joint insurance funds for the county and municipal officers and employees as specified in the bill, coverage shall be subject to the application of individual rating criteria and underwriting standards that consider the risk and potential liability presented by the individuals covered by the blanket bond as if the individuals were covered by an individual bond.

SENATE COMMERCE COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 1968

STATE OF NEW JERSEY

DATED: OCTOBER 15, 2012

The Senate Commerce Committee reports favorably Assembly Bill No. 1968 (1R).

This bill permits surety companies to issue blanket bonds that cover municipal treasurers, tax collectors, municipal court judges, and municipal court administrators. Currently, these officers and employees cannot be covered under a blanket bond issued by a surety company. This bill is intended to increase competition in the blanket bond market, thereby helping to reduce costs for local property taxpayers.

The bill also provides that, as to blanket bond coverage provided by surety companies or joint insurance funds for the county and municipal officers and employees as specified in the bill, coverage shall be subject to the application of individual rating criteria and underwriting standards that consider the risk and potential liability presented by the individuals covered by the blanket bond as if the individuals were covered by an individual bond.

SENATE, No. 2294

STATE OF NEW JERSEY 215th LEGISLATURE

INTRODUCED OCTOBER 15, 2012

Sponsored by:
Senator NIA H. GILL
District 34 (Essex and Passaic)

SYNOPSIS

Permits surety companies to issue blanket bonds for certain local government officers and employees; applies rating criteria and underwriting standards to blanket bond coverage.

CURRENT VERSION OF TEXT

As introduced.



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