

17:36-5.20

LEGISLATIVE HISTORY CHECKLIST

WJSA 17:36-5.20 (Fire insurance companies--Deviate from Standard--Commissioner approve)

LAWS OF 1979 CHAPTER 64

Bill No. A1297

Sponsor(s) Bornheimer

Date Introduced April 27, 1978

Committee: Assembly Banking and Insurance

Senate Judiciary

Amended during passage ~~Yes~~ No

Date of Passage: Assembly June 5, 1978

Senate Feb. 20, 1979

Date of approval April 4, 1979

Following statements are attached if available:

Sponsor statement Yes ~~xxx~~ (Below)

Committee Statement: Assembly Yes ~~xxx~~

Senate ~~xxx~~ No

Fiscal Note ~~xxx~~ No

Veto message ~~xxx~~ No

Message on signing ~~xxx~~ No

Following were printed:

Reports ~~xxx~~ No

Hearings ~~xxx~~ No

LEGISLATIVE HISTORY

Sponsor's statement:

This legislation would permit the Commissioner of Insurance to approve fire insurance policies for issuance in this State which deviate from the standard fire policy provided by Section 6 of P.L. 1954, c.268 (C.17.36-5.20). This would enable new, industry-wide readable homeowners' policies to be offered for sale in the State, provided that they were substantially equivalent to the benefits provided by the standard fire policy now provided by law.

EJ

9/1/78

CHAPTER 64 LAWS OF N. J. 1979
APPROVED 4-4-79

ASSEMBLY, No. 1297

STATE OF NEW JERSEY

INTRODUCED APRIL 27, 1978

By Assemblymen BORNHEIMER, PATERO, FROUDE, PASCULLI,
Assemblywoman SZABO, Assemblyman BURNS, Assemblywoman
CURRAN, Assemblymen CODEY, OTLOWSKI, KARCHER,
HURLEY, D. GALLO, VAN WAGNER and VILLANE

Referred to Committee on Banking and Insurance

AN ACT concernng fire insurance policies, and amending Section 6
of P. L. 1954, c. 268 (C. 17:36-5.20).

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

1 1. Section 6 of P. L. 1954, c. 268 (C. 17:36-5.20) is amended to
2 read as follows:

3 6. Every such fire insurance policy shall contain certain standard
4 provisions which shall be in the words and in the order hereinafter
5 set forth:

ASSEMBLY BANKING AND INSURANCE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1297

STATE OF NEW JERSEY

DATED: MAY 25, 1978

The exact wording to be used in a standard fire insurance contract is prescribed by statute (Section 6 of P. L. 1954, c. 268, C. 17:36-5.20). This contract is also an element of a standard homeowners' or tenants' contract. This bill provides that the Commissioner may approve a policy form which does not conform to the standard fire policy if it contains substantially the same provisions.

The Insurance Service Office has recently developed a new, industry-wide homeowners policy, called Homeowners' 76. These policies are written in readable English, and the highly technical legal language of standard policies has been eliminated. The wordage of the conventional policy has been reduced by 40%, from 12,000 to 7,000 words. These policies also increase coverage in certain areas—credit card theft would be automatically included in the policy, for example, instead of being optional coverage as at present. Loss of unscheduled personal property would be compensated even if the stolen property were off-premises. Presently, such coverage is usually limited to 10% of the policy coverage. The policies restrict the coverage available on gold and silver objects and on silverware.

This new policy form cannot be introduced in New Jersey until the Commissioner of Insurance is given the authority to permit deviation from the standard fire policy. The Assembly Banking and Insurance Committee believes that the commissioner should be permitted to approve such policies, and that this effort to develop a more readable policy is commendable and in the best interest of New Jersey consumers.

FROM THE OFFICE OF THE GOVERNOR

APRIL 4, 1979

FOR FURTHER INFORMATION

FOR IMMEDIATE RELEASE

PAT SWEENEY

Governor Brendan Byrne today signed into law the following bills:

A-1297, sponsored by Assemblyman James W. Bornheimer (D-Middlesex), amends section 6 of P.S. 1954, c.268 (c. 17:36-5.20), which mandates a standard form fire insurance policy. This amendment authorizes the Commissioner of Insurance to approve other policy forms if such forms are substantially equivalent to the standard policy if they are more favorable to the insured than the standard policy.

A-1377, sponsored by Assemblyman John A. Girgenti (D-Passaic), amends the Hotel and Multiple Dwelling Law to provide that any such owner may be granted an exception by the Commissioner of Community Affairs to any regulation deemed to affect the safety of the occupants. If such an exception is granted, the owner must provide to any applicant or occupant of each affected dwelling unit written notice specifying the exception which has been granted.

A-1635, sponsored by Assemblyman Michael J. Matthews (D-Atlantic), requires that when the Division of Taxation examines the books and records of a taxpayer on the premises of an agent of the taxpayer that the taxpayer must provide written evidence of the agent's authority to act on behalf of the taxpayer. This bill provides that such authorization must be presented to the representative of the Division of Taxation.

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