

17:36-5.29 and 17:36-5.30

LEGISLATIVE HISTORY CHECKLIST

HJSA 17:36-5.29 and 17:36-5.30; (Homeowners insurance--require inclusion of
34:15-78 and 34:15-92 workers' compensation and personal liability)

LAWS OF 1979 CHAPTER 380

Bill No. A949

Sponsor(s) Bornheimer and others

Date Introduced March 2, 1978

Committee: Assembly Banking and Insurance

Senate Labor, Industry and Professions

Amended during passage Yes Amendments during passage denoted by asterisks

Date of Passage: Assembly June 8, 1978

Senate Dec. 17, 1979

Date of approval Feb. 5, 1980

Following statements are attached if available:

Sponsor statement	Yes	<input checked="" type="checkbox"/>	(Below) Also attached:
Committee Statement: Assembly	Yes	<input checked="" type="checkbox"/>	Senate amendments, adopted
Senate	Yes	<input checked="" type="checkbox"/>	12-17-79 (with statement)
Fiscal Note	Yes	No	
Veto message	Yes	No	
Message on signing	Yes	No	

Following were printed:

Reports	Yes	<input checked="" type="checkbox"/>
Hearings	Yes	No

Sponsor's statement:

This legislation would require workers' compensation insurance coverage to be included in homeowners' policies.

Report cited in Assembly Committee statement:

974.90 N.J. Workmens' Compensation Study Commission.
 E55 Report. September 30, 1973. Newark, NJ 1973.
 1973 (p.41)
 971773

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ASSEMBLY, No. 949

STATE OF NEW JERSEY

INTRODUCED MARCH 2, 1978

By Assemblymen BORNHEIMER, NEWMAN, ADUBATO,
FORTUNATO and FROUDE

Referred to Committee on Banking and Insurance

AN ACT concerning homeowners' ***and other liability*** insurance,
amending **R. S. 34:15-78 and R. S. 34:15-92,** and supplementing Title 17 of the Revised Statutes.

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

1 1. **** (New section)*** Every homeowners' policy **or other*
2 *policy providing comprehensive personal liability insurance** de-*
3 *livered *[or]* *,* issued for delivery*, or renewed* in this State*
4 ***on or** after the effective date of this act shall **[include*
5 *worker's compensation insurance coverage to provide benefits for*
6 *which the policyholder may be liable]** **afford coverage against*
7 *liability for the payment of any obligation which the policyholder*
8 *may incur to an injured domestic servant or household employee*
9 *or the dependents thereof** pursuant to the provisions of chapter*
10 *15 of Title **[45]** **34** of the Revised Statutes.*

1 ***2. R. S. 34:15-78 is amended to read as follows:*
2 *34:15-78. Every employer not operating under section 34:15-77*
3 *of this title shall insure and keep insured his liability in any stock*
4 *company or mutual association authorized to engage in workmen's*
5 *compensation or employer's liability insurance in this State. If*
6 *insurance be effected by either method mentioned in this section,*
7 *the insurance company or mutual association shall file with the*
8 *commissioner of banking and insurance a notice setting forth the*
9 *name of the insurance company, its principle office in this State,*
10 *together with a copy of the policy of insurance and copies of all*
11 *indorsements attached and such other data in relation thereto as*
12 *the commissioner of banking and insurance may require except*

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

13 that no such filing shall be required in connection with insurance
 14 coverage for domestic servants or household employees written
 15 pursuant to P. L. , c. , (now pending before the Legislature
 16 as Assembly Bill No. 949 of 1978).**

1 **[*2.]* ** *3.** R. S. 34:15-92 is amended to read as follows:

2 34:15-92. **[Farm and domestic help excepted. Nothing in this
 3 article contained shall apply to any employer of farm laborers
 4 [or domestic servants] nor be construed to require any employer
 5 to purchase insurance for any coverage other than for his liability
 6 under this chapter. *Nothing in this article contained shall apply
 7 to any employer of domestic servants or household employees not
 8 engaged in connection with any business of said employer nor to
 9 any stock company or mutual association authorized to engage in
 10 workers' compensation and employers' liability insurance in this
 11 State insofar as insurance coverage for such employees is con-
 12 cerned.*]** **Each employer of domestic servants or household
 13 employees and every stock company or mutual association affording
 14 insurance for the liability of such employers by reason of that
 15 employment shall be exempted from the provisions of R. S.
 16 34:15-79, and R. S. 34:15-80. The provisions of R. S. 34:15-81
 17 shall not be applicable where the insurance coverage is afforded
 18 pursuant to P. L. , c. , (now pending before the Legislature
 19 as Assembly Bill No. 949 of 1978)**.*

1 ***4. (New section) Notwithstanding R. S. 17:17-7, every insurer
 2 who is admitted to transact liability insurance under R. S. 17:17-1
 3 is also deemed to be admitted to transact workers' compensation
 4 insurance for the purpose of covering those persons specified in
 5 this act.***

1 *[*2.]* **[*3.]* ** **[*4.]* ** **5.** This act shall take
 2 **[90 days]** **with respect to homeowners' policies or other
 3 policies providing comprehensive personal liability insurance de-
 4 livered, issued for delivery, or received on or after the one hundred
 5 and eightieth day** after enactment.

ASSEMBLY BANKING AND INSURANCE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 949

STATE OF NEW JERSEY

DATED: MAY 25, 1978

This legislation requires that every homeowners' policy delivered or issued for delivery after the effective date of the act shall include workers' compensation insurance for which the owner may be held liable.

While New Jersey's workers' compensation law (R. S. 34:15-1 et seq.) is elective, individuals may still be held liable in certain instances for injury or death which occurs to all but "casual" workers (which are defined as those whose employment is by chance or is purely accidental . . . or not regular, periodic, or recurring"). Domestic servants, babysitters, and others who are employed by homeowners and who do not fall into this category of "casual" employment might, if insured in the course of their employment, bring an action against an employer. In 1973, the New Jersey Workmen's Compensation Study Commission recommended that workers' compensation coverage be included in all homeowners' policies. Premium cost is relatively low for this coverage; if applied to all policies, the cost per policy would be less than \$10.00.

The committee has amended Title 34, relieving the carrier from certain obligations under the Workers' Compensation Law which would not be pertinent to this kind of coverage:

- 1) The insurer would not be required to file records of coverage with the Commissioner of Insurance (R. S. 34:15-78);
- 2) The insurer would not be required to furnish the homeowner with a posting notice (R. S. 34:15-80);
- 3) The insurer and homeowner would not be required to adhere to the cancellation provisions of R. S. 34:15-81;
- 4) The insurance company would not be required to be a member of the Compensation Rating and Inspection Bureau (R. S. 34:15-89).

The committee believes that the addition of this coverage to all homeowners' policies provides an essential protection for New Jersey residents.

SENATE LABOR, INDUSTRY AND
PROFESSIONS COMMITTEE

STATEMENT TO
ASSEMBLY, No. 949
with Senate committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 3, 1979

This legislation requires that every homeowners' policy delivered, issued for delivery, or renewed after the effective date of this act, shall include workers' compensation insurance for which the policyholder may be held liable.

Amendments adopted by the Senate Labor, Industry and Professions Committee broaden the scope of the bill to include other policies providing comprehensive personal liability insurance. The amendments replace the general language mandating the inclusion of workers' compensation coverage in homeowners' policies with language which specifically describes the liability to be covered. There was some concern that the original language, allowing coverage to provide "benefits for which the policyholder may be liable" under the workers' compensation law, might cover obligations incurred in the policyholder's business as well as in his home. The new language mandates coverage for "any obligation which the policyholder may incur to an injured domestic servant or household employee" or his dependents, pursuant to the workers' compensation law.

Technical changes were made in the way in which the bill relieves carriers from certain obligations under the workers' compensation law which would not be pertinent to this kind of coverage. New section 2 of the bill continues to exempt the carrier from the requirement to file records of coverage with the Commissioner of Insurance, while retaining the section of R. S. 34:15-78 which mandates that workers' compensation insurance be carried by all employers not self-insured.

The amendments require the insurance company to be a member of the Compensation Rating and Inspection Bureau, thus protecting the consumer by assuring uniform rates.

As amended by the Senate Labor, Industry and Professions Committee, the act would take effect 180 days after enactment. This would allow adequate time for certain insurance carriers to become licensed to write this kind of insurance. Presently, there are approximately 30 carriers who write homeowners' insurance but are not licensed to write workers' compensation insurance.

SENATE AMENDMENTS TO
ASSEMBLY, No. 949

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STATE OF NEW JERSEY

ADOPTED DECEMBER 17, 1979

Amend page 1, section 1, line 1, after "1.", insert "(New section)".

Amend page 2, section 3, after line 19, insert new section as follows:

4. (New section) Notwithstanding R. S. 17:17-7, every insurer who is admitted to transact liability insurance under R. S. 17:17-1 is also deemed to be admitted to transact workers' compensation insurance for the purpose of covering those persons specified in this act."

Amend page 2, section 4, line 1, omit "4.", insert "5."

STATEMENT

This amendment clarifies the fact that admitted insurers who write homeowners' coverage in New Jersey are permitted to write workers' compensation coverage for the purposes of the requirements imposed by this legislation, even though they do not ordinarily write workers' compensation coverage in New Jersey.

FEBRUARY 6, 1980

-5-

A-480, sponsored by former Assemblyman John Froude (D-Middlesex), provides for the acquisition, enforcement and disposition of conservation and historic preservation restrictions by government bodies or certain corporations or trusts in situations which concern the acquisition or preservation of land or water areas.

Conservation restrictions provide that land or water areas are to be predominately retained in their natural, scenic, open or wooded condition or are to be used for conservation or recreation purposes.

Historic preservation restrictions help preserve a structure or site which is historically significant for its architecture, archeology or associations.

Although these restrictions could be conveyed in sales of real property under prior law, this bill establishes rules for their acquisition, enforcement and disposition.

The bill supports the long-established policy of the state in encouraging the preservation of open space and also helps create recreational areas and preserve areas which have public value for their natural beauty or historical significance while allowing the land to remain in private ownership.

A-3669, sponsored by Assemblyman Martin A. Herman (D-Gloucester), which validates the school bond authorization proceedings by the Board of Education of Pittsgrove Township in Salem County.

A-949, sponsored by Assemblyman James W. Bornheimer (D-Middlesex), which requires every homeowner insurance policy and every insurance policy providing comprehensive liability insurance to include workers compensation coverage for domestic servants, household employees and their dependents.

Under prior practice, workers' compensation coverage was often available as an optional endorsement to homeowners' policies, but not from all companies.

A-3271, sponsored by Assemblyman Michael J. Matthews (D-Atlantic), which makes a minor technical change in the statutes regarding the Pharmaceutical Assistance to the Aged (PAA) Program.

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