

LEGISLATIVE HISTORY OF R.S. 17:28-1.1
(Coverage to be offered in policies)

COPY NO. 1

Laws 1968, c. 385 - S481

February 13 - Introduced by White.
June 20 - Passed in Senate, amended.
June 24 - Passed in Assembly.
November 15 - Returned by Governor with recommended amendment.
November 18 - Amended as recommended, re-enacted in Senate.
November 25 - Re-enacted in Assembly.
January 2 - Approved, chapter 385.
No statement.
Amended during passage (copy enclosed of original bill
and Governor's amendment).

Governor's message on signing attached

Amended by:

Laws 1972, c. 204 - A1475

November 16 - Introduced by Kaltenbacher, Dennis,
Orechio, H. Klein.
November 20 - Passed in Assembly.
November 27 - Passed in Senate.
December 27 - Approved, chapter 204.
Not amended during passage.
Statement (copy enclosed).

Governor's message on signing attached

Hearings and reports:

974.90	N.J. Legislature. Senate. Committee on Banking
A939	and Insurance.
1967	Public hearing on motor vehicle liability insurance.
974.90	N.J. Legislature. Senate. Committee on Banking
A939	and Insurance.
1968	Public hearing.
974.90	N.J. Legislature. Senate. Committee on Banking
A939	and Insurance.
1968a	Public hearing to investigate matters relating to motor vehicle liability insurance premium rates.

Newspaper clippings from Vertical File - N.J.--Insurance, Automobile.
The following clippings are enclosed.

Jaffee, Herb. "A 'windfall' for car insurance firms".
Star Ledger March 10, 1968.

"White disowns insurance bill". Bergen Record March 11, 1968.

"Car Insurers: our eyes not on 'windfall' profits". Star Ledger
March 13, 1968.

"Hughes vetoes new plan for car insurance". Philadelphia Inquirer
November 16, 1968.

JH/PC

SENATE, No. 481

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 13, 1968

By Senator WHITE

Referred to Committee on Banking and Insurance

AN ACT to provide greater protection for the victims of uninsured motorists, amending section 17:28-1 and supplementing chapter 28 of Title 17 of the Revised Statutes, and amending the "Unsatisfied Claim and Judgment Fund Law," approved May 10, 1952 (P. L. 1952, c. 174).

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

1 1. Section 17:28-1 of the Revised Statutes is amended to read as
2 follows:

3 17:28-1. When a policy shall insure against more than one hazard
4 or peril, the insurance against any specific hazard or peril shall not
5 be separately cancelable unless the policy shall specify a separate
6 premium for any such insurance so cancelable. No policy of life or
7 endowment insurance or annuity contract authorized pursuant to
8 paragraph "c" of section 17:17-1 of this Title shall assume any
9 hazard or peril specified in any other paragraph of said section
10 17:17-1 except insurance against bodily injury or death by accident
11 and upon the health of persons as specified in paragraph "d" of
12 the said section. Any policy of liability insurance authorized by
13 paragraphs "d" or "e" of said section 17:17-1 may contain a
14 provision for payment on behalf of the injured party or for reim-
15 bursement of the assured for payment of medical, hospital, surgi-
16 cal and funeral expenses incurred, as a result of an accident, irre-
17 spective of legal liability of the assured, and an automobile liability
18 policy may also contain a provision for payment of disability
19 benefits to persons who are injured and death benefits to depend-
20 ents, beneficiaries or personal representatives of persons who are
21 killed if such injury or death is caused by accident and sustained
22 while in or upon, entering or alighting from, or through being
23 struck by an automobile, irrespective of legal liability of the as-

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

24 sured, and such provisions shall not be deemed to be an accident
25 insurance policy. The commissioner may order the discontinuance
26 of any provision in a policy of automobile liability insurance pro-
27 viding for such disability or death benefits which he finds to be
28 unjust, unfair, inequitable, misleading or contrary to law. Any
29 policy of automobile liability insurance may also contain a pro-
30 vision for payment of part or all sums which the insured or his
31 legal representative shall be legally entitled to recover as damages
32 from the operator or owner of an uninsured automobile because
33 of bodily injury, sickness or disease, including death resulting
34 therefrom, *or because of damage to property*, sustained by the
35 insured, caused by accident and arising out of the ownership,
36 maintenance or use of such uninsured automobile [outside the
37 boundaries of this State].

1 2. No automobile liability policy, of insurance insuring against
2 loss resulting from liability imposed by law for bodily injury or
3 death, sustained by any person arising out of the ownership, main-
4 tenance or use of a motor vehicle shall be delivered or issued for
5 delivery in this State with respect to any motor vehicle registered
6 or principally garaged in this State unless coverage is provided
7 therein or supplemental thereto, in limits for bodily injury or
8 death set forth in section 9 of chapter 174 of the laws of 1952
9 (C. 39:6-69), under provisions approved by the Commissioner of
10 Banking and Insurance, for payment of all or part of the sums
11 which the insured or his legal representative shall be legally en-
12 titled to recover as damages from the operator or owner of an
13 uninsured automobile, or hit and run automobile as defined in
14 section 18 of said chapter 174 (C. 39:6-78), because of bodily injury,
15 sickness or disease, including death resulting therefrom, sustained
16 by the insured, caused by accident and arising out of the ownership,
17 maintenance or use of such uninsured or hit and run automobile
18 anywhere within the United States or Canada.

19 Such provision shall also include coverage for the payment of
20 all or part of the sums which persons insured thereunder shall be
21 legally entitled to recover as damages from owners or operators
22 of uninsured automobiles, other than hit and run automobiles, be-
23 cause of injury to or destruction to the personal property of such
24 insured with a limit in the aggregate for all insureds involved in
25 any one accident of \$5,000.00, and subject, for each insured, to an
26 exclusion of the first \$100.00 of such damages.

1 3. Section 2 of chapter 174 of the laws of 1952 (C. 39:6-62) is
2 amended to read as follows:

3 2. Definitions. As used in this act:

4 "Director" means the Director of the Division of Motor Vehicles
5 in the Department of Law and Public Safety.

6 "Treasurer" means the State Treasurer of New Jersey acting
7 as the custodian of the Unsatisfied Claim and Judgment Fund.

8 "Commissioner" means the Commissioner of Banking and
9 Insurance.

10 "Unsatisfied Claim and Judgment Fund" or "Fund" means
11 the fund derived from the sources specified in this act.

12 "Unsatisfied Claim and Judgment Fund Fee" means the addi-
13 tional fee to be collected under this act as a contribution to the
14 fund from the owner of a motor vehicle upon the registration
15 thereof in this State.

16 "Unsatisfied Claim and Judgment Fund Board" or "Board"
17 means the board created in section 4 of this act.

18 "Qualified person" means a resident of this State [or] *not* the
19 owner of a motor vehicle registered in this State or a resident of
20 another State, territory, or Federal district of the United States
21 or Province [of the Dominion] of Canada or *of a* foreign country,
22 in which recourse is afforded, to residents of this State, of sub-
23 stantially similar character to that provided for by this act; *pro-*
24 *vided, however, that no person shall be a qualified person*
25 *where (1) such person is an insured under a policy provision*
26 *providing coverage for damages sustained by the insured as a*
27 *result of the operation of an uninsured motor vehicle in the form*
28 *required to be included in automobile liability policies of insurance*
29 *delivered or issued for delivery in this State, pursuant to the pro-*
30 *visions of, or any supplement to, chapter 28 of Title 17 of the Re-*
31 *vised Statutes or in a form substantially similar thereto or (2)*
32 *such person is an owner of a motor vehicle registered in a State,*
33 *territory, or Federal district of the United States, or Province of*
34 *Canada, or foreign country, in which such a policy provision is re-*
35 *quired by statute to be offered.*

36 "Uninsured motor vehicle" means a motor vehicle as to which
37 there is not in force a liability policy meeting the requirements of
38 sections 3, 24, 25, or 26 of the Motor Vehicle Security-Responsi-
39 bility Law of this State, established pursuant to the provisions of
40 chapter 173 of the laws of 1952, as amended and supplemented, and
41 which is not owned by a holder of a certificate of self-insurance
42 under said law.

43 "Person" includes natural persons, firms, co-partnerships, as-
44 sociations and corporations.

45 "Insurer" means any insurer authorized in this State to write
46 the kinds of insurance specified in paragraphs d and e, section
47 17:17-1 of the Revised Statutes.

48 "Net direct written premiums" means direct gross premiums
49 written on policies, insuring against legal liability for bodily injury
50 or death and for damage to property arising out of the ownership,
51 operation or maintenance of motor vehicles, which are principally
52 garaged in this State, less return premiums thereon and dividends
53 paid to policy holders on such direct business.

54 "Registration license year" means the period beginning June
55 1, 1956, and ending May 31, 1957, and each subsequent 12 month
56 period, beginning June 1 and ending the following May 31.

1 4. This act shall take effect 90 days after enactment.

SENATE COMMITTEE AMENDMENTS TO
SENATE, No. 481

STATE OF NEW JERSEY

ADOPTED JUNE 17, 1968

Amend page 2, section 2, line 26, after section 2, insert a new section 3 as follows:

“3. The named insured shall have the right to reject the coverage required pursuant to section 2 of this act. Such rejection shall be in writing and upon receipt thereof by the insurer such coverage shall not be provided in the policy nor shall it be provided in any renewal policy issued to him by the same insurer unless and until he shall request such coverage in writing.”.

Amend page 2, section 3, line 1, omit “3.”, insert “4.”.

Amend page 3, section 3, line 5, after line 5, insert “ ‘Manager’ means the official designated by the director to administer to and be in charge of the Unsatisfied Claim and Judgment Fund and who shall be responsible to the Unsatisfied Claim and Judgment Fund Board”.

Amend page 3, section 3, line 27, before “form”, omit “the”, insert “a”.

Amend page 3, section 3, line 28, omit “required”, insert “authorized”.

Amend page 4, section 4, line 1, omit “4.”, insert “5.”.

Returned with Gov's
Recommendations

9/15/69

[OFFICIAL COPY REPRINT]

SENATE, No. 481

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By Senator WHITE

Referred to Committee on Banking and Insurance

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7 endowment insurance or annuity contract authorized pursuant to
8 paragraph "c" of section 17:17-1 of this Title shall assume any
9 hazard or peril specified in any other paragraph of said section
10 17:17-1 except insurance against bodily injury or death by accident
11 and upon the health of persons as specified in paragraph "d" of
12 the said section. Any policy of liability insurance authorized by
13 paragraphs "d" or "e" of said section 17:17-1 may contain a
14 provision for payment on behalf of the injured party or for reim-
15 bursement of the assured for payment of medical, hospital, surgi-
16 cal and funeral expenses incurred, as a result of an accident, irre-
17 spective of legal liability of the assured, and an automobile liability
18 policy may also contain a provision for payment of disability
19 benefits to persons who are injured and death benefits to depend-
20 ents, beneficiaries or personal representatives of persons who are
21 killed if such injury or death is caused by accident and sustained
22 while in or upon, entering or alighting from, or through being
23 struck by an automobile, irrespective of legal liability of the as-

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

24 sured, and such provisions shall not be deemed to be an accident
25 insurance policy. The commissioner may order the discontinuance
26 of any provision in a policy of automobile liability insurance pro-
27 viding for such disability or death benefits which he finds to be
28 unjust, unfair, inequitable, misleading or contrary to law. Any
29 policy of automobile liability insurance may also contain a pro-
30 vision for payment of part or all sums which the insured or his
31 legal representative shall be legally entitled to recover as damages
32 from the operator or owner of an uninsured automobile because
33 of bodily injury, sickness or disease, including death resulting
34 therefrom, *or because of damage to property*, sustained by the
35 insured, caused by accident and arising out of the ownership,
36 maintenance or use of such uninsured automobile [outside the
37 boundaries of this State].

1 2. No automobile liability policy, of insurance insuring against
2 loss resulting from liability imposed by law for bodily injury or
3 death, sustained by any person arising out of the ownership, main-
4 tenance or use of a motor vehicle shall be delivered or issued for
5 delivery in this State with respect to any motor vehicle registered
6 or principally garaged in this State unless coverage is provided
7 therein or supplemental thereto, in limits for bodily injury or
8 death set forth in section 9 of chapter 174 of the laws of 1952
9 (C. 39:6-69), under provisions approved by the Commissioner of
10 Banking and Insurance, for payment of all or part of the sums
11 which the insured or his legal representative shall be legally en-
12 titled to recover as damages from the operator or owner of an
13 uninsured automobile, or hit and run automobile as defined in
14 section 18 of said chapter 174 (C. 39:6-78), because of bodily injury,
15 sickness or disease, including death resulting therefrom, sustained
16 by the insured, caused by accident and arising out of the ownership,
17 maintenance or use of such uninsured or hit and run automobile
18 anywhere within the United States or Canada.

19 Such provision shall also include coverage for the payment of
20 all or part of the sums which persons insured thereunder shall be
21 legally entitled to recover as damages from owners or operators
22 of uninsured automobiles, other than hit and run automobiles, be-
23 cause of injury to or destruction to the personal property of such
24 insured with a limit in the aggregate for all insureds involved in
25 any one accident of \$5,000.00, and subject, for each insured, to an
26 exclusion of the first \$100.00 of such damages.

1 *3. *The named insured shall have the right to reject the coverage*
2 *required pursuant to section 2 of this act. Such rejection shall be*
3 *in writing and upon receipt thereof by the insurer such coverage*

4 *shall not be provided in the policy nor shall it be provided in any*
 5 *renewal policy issued to him by the same insurer unless and until*
 6 *he shall request such coverage in writing.**

1 ***[3.]*** *4.* Section 2 of chapter 174 of the laws of 1952
 2 (C. 39:6-62) is amended to read as follows:

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4 "Director" means the Director of the Division of Motor Vehicles
 5 in the Department of Law and Public Safety.

5A **"Manager" means the official designated by the director to*
 5B *administer to and be in charge of the Unsatisfied Claim and Judg-*
 5C *ment Fund and who shall be responsible to the Unsatisfied Claim*
 5D *and Judgment Fund Board.**

6 "Treasurer" means the State Treasurer of New Jersey acting
 7 as the custodian of the Unsatisfied Claim and Judgment Fund.

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 13 tional fee to be collected under this act as a contribution to the
 14 fund from the owner of a motor vehicle upon the registration
 15 thereof in this State.

16 "Unsatisfied Claim and Judgment Fund Board" or "Board"
 17 means the board created in section 4 of this act.

18 "Qualified person" means a resident of this State **[or]** *not* the
 19 owner of a motor vehicle registered in this State or a resident of
 20 another State, territory, or Federal district of the United States
 21 or Province **[of the Dominion]** of Canada or *of a foreign country,*
 22 *in which recourse is afforded, to residents of this State, of sub-*
 23 *stantially similar character to that provided for by this act; pro-*
 24 *vided, however, that no person shall be a qualified person*
 25 *where (1) such person is an insured under a policy provision*
 26 *providing coverage for damages sustained by the insured as a*
 27 *result of the operation of an uninsured motor vehicle in ***[the]*** *a**
 28 *form ***[required]*** *authorized* to be included in automobile liabil-*
 29 *ity policies of insurance delivered or issued for delivery in this*
 30 *State, pursuant to the provisions of, or any supplement to, chapter*
 31 *28 of Title 17 of the Revised Statutes or in a form substantially*
 32 *similar thereto or (2) such person is an owner of a motor vehicle*
 33 *registered in a State, territory, or Federal district of the United*
 34 *States, or Province of Canada, or foreign country, in which such a*
 35 *policy provision is required by statute to be offered.*

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50 or death and for damage to property arising out of the ownership,
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52 garaged in this State, less return premiums thereon and dividends
53 paid to policy holders on such direct business.

54 "Registration license year" means the period beginning June
55 1, 1956, and ending May 31, 1957, and each subsequent 12 month
56 period, beginning June 1 and ending the following May 31.

1 ***[4.]*** *5.* This act shall take effect 90 days after enactment.

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

November 15, 1968

SENATE BILL NO. 481

To the Senate:

Pursuant to Article V, Section I, Paragraph 14(b) of the Constitution, I herewith return Senate Bill No. 481, with my objections, for reconsideration.

Senate Bill No. 481 will assure the continued viability of the Unsatisfied Claim and Judgment Fund by amending the act creating that Fund to assure an opportunity to the public to secure insurance protection against damages inflicted by the uninsured motorist. This bill is the fourth in a series of bills revising provisions of the U.C.J.F. Law and completes the current legislative package to restore that fund and its beneficial effects.

S-481 specifically requires that every automobile liability insurance policy written for delivery within the State provide the insured an opportunity to purchase coverage against damages inflicted by the uninsured motorist. The clear intent of the act is to provide the insured with an option, neither forcing nor preventing the purchase of this added private protection.

By its terms, however, the bill presents no unfettered opportunity for the exercise of a voluntary election. Rather, it provides, in essence, that every insured is presumed to desire this additional protection in the absence of an explicit rejection. In addition, it quite clearly removes from the aegis of the U.C.J.F. not only persons benefiting from private or public uninsured motorist protection but also insured motorists of this State who exercise their option to reject public uninsured motorists protection.

In effect, this latter provision renders nugatory the option afforded persons to reject the coverage in his private policy required by the U.C.J.F. Law. Clearly, such is not the intent of these amendments.

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

Senate Bill No. 481

- 2 -

I therefore recommend revision of the mandate to the insurance carriers affected by this act to require only that an effective offer of added coverage be made, rather than that such coverage be necessarily included.

I also recommend the definition of "qualified person" appearing in this act be restored in pertinent part to its former language so that the option provided in section 3 of the act have meaning and be of benefit to the public.

For these reasons I herewith return Senate Bill No. 481 for reconsideration and recommend that it be amended as follows:

On Page 2, Section 2, Line 1, following "liability policy", insert "or renewal of such policy".

On Page 2, Section 2, Line 6, following "coverage is", delete "provided therein or supplemental thereto", and insert in lieu thereof "offered in connection therewith".

On Page 2, Section 2, Line 19, following "Such", delete "provision", and insert in lieu thereof "offer".

On Page 2, Section 3, Line 1, following "insured shall", delete "have the right to reject the coverage", and insert in lieu thereof "elect to accept or reject the offer of coverage".

On Page 2, Section 3, Line 2, following "such", delete "rejection", and insert in lieu thereof "election".

On Page 3, Section 3, Line 4, following "shall", insert "or shall".

On Page 3, Section 3, Line 4, following "the policy", delete in its entirety the clause beginning "nor shall it" and ending "coverage in writing", and insert in lieu thereof "according to said election".

On Page 3, Section 4, Line 18, following "of this State", delete "not", and insert in lieu thereof "or".

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

Senate Bill No. 481

- 3 -

On Page 3, Section 4, Line 25, following "where",
delete "(1)".

On Page 3, Section 4, Line 32, following "similar
thereto", delete in its entirety the clause beginning "or
(2) such person" in Line 32 and ending "by statute to be
offered" in Line 35.

Respectfully,

/S/ RICHARD J. HUGHES

GOVERNOR

[SEAL]

Attest:

/S/ ALAN J. KARCHER

Acting Secretary to the Governor

SENATE AMENDMENTS TO
SENATE, No. 481

STATE OF NEW JERSEY

ADOPTED NOVEMBER 15, 1968

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Amend page 3, section 4, line 32, following "similar thereto", delete in its entirety the clause beginning "or (2) such person" in line 32 and ending "by statute to be offered" in line 35.

CHAPTER 385 LAWS OF N. J. 1968

APPROVED 1/2/69

[SECOND OFFICIAL COPY REPRINT]

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23 struck by an automobile, irrespective of legal liability of the as-
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19 Such ***[provision]*** ***offer*** shall also include coverage for
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 17 means the board created in section 4 of this act.

18 “Qualified person” means a resident of this State **[or]**
 19 ****[not]**** ****or**** the owner of a motor vehicle registered in this
 20 State or a resident of another State, territory, or Federal district
 21 of the United States or Province **[of the Dominion]** of Canada or
 22 of a foreign country, in which recourse is afforded, to residents
 23 of this State, of substantially similar character to that provided
 24 for by this act; *provided, however, that no person shall be a quali-*
 25 *fied person where ****[(1)]**** such person is an insured under a*
 26 *policy provision providing coverage for damages sustained by the*
 27 *insured as a result of the operation of an uninsured motor vehicle*
 28 *in ***[the]*** ****a**** form ***[required]*** ****authorized**** to be included in*
 29 *automobile liability policies of insurance delivered or issued for*
 30 *delivery in this State, pursuant to the provisions of, or any supple-*

31 *ment to, chapter 28 of Title 17 of the Revised Statutes or in a form*
32 *substantially similar thereto *****[or (2) such person is an owner of**
33 *a motor vehicle registered in a State, territory, or Federal district*
34 *of the United States, or Province of Canada, or foreign country,*
35 *in which such a policy provision is required by statute to be*
35A *offered***]*****.*

36 “Uninsured motor vehicle” means a motor vehicle as to which
37 there is not in force a liability policy meeting the requirements of
38 sections 3, 24, 25, or 26 of the Motor Vehicle Security-Responsi-
39 bility Law of this State, established pursuant to the provisions of
40 chapter 173 of the laws of 1952, as amended and supplemented, and
41 which is not owned by a holder of a certificate of self-insurance
42 under said law.

43 “Person” includes natural persons, firms, co-partnerships, as-
44 sociations and corporations.

45 “Insurer” means any insurer authorized in this State to write
46 the kinds of insurance specified in paragraphs d and e, section
47 17:17-1 of the Revised Statutes.

48 “Net direct written premiums” means direct gross premiums
49 written on policies, insuring against legal liability for bodily injury
50 or death and for damage to property arising out of the ownership,
51 operation or maintenance of motor vehicles, which are principally
52 garaged in this State, less return premiums thereon and dividends
53 paid to policy holders on such direct business.

54 “Registration license year” means the period beginning June
55 1, 1956, and ending May 31, 1957, and each subsequent 12 month
56 period, beginning June 1 and ending the following May 31.

1 ***[4.]*** *5.* This act shall take effect 90 days after enactment.

CHAPTER 204 LAWS OF N. J. 1972
APPROVED 12-26-72

ASSEMBLY, No. 1475

STATE OF NEW JERSEY

INTRODUCED NOVEMBER 16, 1972

By Assemblymen KALTENBACHER, DENNIS, ORECHIO
and KLEIN

Referred to Committee on Insurance

AN ACT concerning insurance coverage for victims of uninsured motorists, amending P. L. 1968, c. 385 and repealing section 3 thereof.

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

1 1. Section 2 of P. L. 1968, c. 385 (C. 17:28-1.1) is amended to
2 read as follows:

3 2. No automobile liability policy or renewal of such policy, of
4 insurance insuring against loss resulting from liability imposed by
5 law for bodily injury or death, sustained by any person arising out
6 of the ownership, maintenance or use of a motor vehicle shall be
7 **delivered or** issued **for delivery** in this State with respect to
8 any motor vehicle registered or principally garaged in this State
9 unless **coverage is offered in connection therewith, in limits for**
10 **bodily injury or death set forth in section 9 of chapter 174 of the**
11 **laws of 1952 (C. 39:6-69),** *it includes coverage, in limits for bodily*
12 *injury or death as follows:*

13 a. *an amount or limit of \$15,000.00, exclusive of interest and*
14 *costs, on account of injury to, or death of, one person, in any*
15 *one accident, and*

16 b. *an amount or limit, subject to such limit for any one*
17 *person so injured or killed, of \$30,000.00, exclusive of interest*
18 *and costs, on account of injury to or death of more than one*
19 *person, in any one accident,*

20 under provisions approved by the Commissioner of **Banking and**
21 Insurance, for payment of all or part of the sums which the insured
22 or his legal representative shall be legally entitled to recover as
23 damages from the operator or owner of an uninsured automobile,

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

24 or hit and run automobile as defined in section 18 of [said] chapter
25 174 of the laws of 1952 (C. 39:6-78), because of bodily injury,
26 sickness or disease, including death resulting therefrom, sustained
27 by the insured, caused by accident and arising out of the ownership,
28 maintenance or use of such uninsured or hit and run automobile
29 anywhere within the United States or Canada. [Such] All such
30 [offer] automobile liability policies shall also include coverage for
31 the payment of all or part of the sums which persons insured there-
32 under shall be legally entitled to recover as damages from owners
33 or operators of uninsured automobiles, other than hit and run
34 automobiles, because of injury to or destruction to the personal
35 property of such insured with a limit in the aggregate for all
36 insureds involved in any one accident of \$5,000.00, and subject, for
37 each insured, to an exclusion of the first \$100.00 of such damages.

1 2. Section 3 of P. L. 1968, c. 385 (C. 17:28-1.2) is repealed.

1 3. This act shall take effect January 1, 1973.

STATEMENT

The "New Jersey Automobile Reparation Reform Act," P. L. 1972, c. 70, required all automobile owners and registrants to have in effect insurance coverage to protect them and their property against the negligent acts of uninsured motorists. This bill extends that concept to all motor vehicles.

This bill also provides for an increase in the limits of coverage to conform with the minimum limits of liability coverage which is now compulsory for automobiles pursuant to chapter 70 of the laws of 1972 and which will be extended to all motor vehicles upon the enactment of Assembly Bill No. 802. This change is also consistent with the increase in the limits of liability which will be able to be obtained from the "Unsatisfied Claim and Judgment Fund" upon the enactment of Assembly Bill No. 803.

FROM THE OFFICE OF THE GOVERNOR

DECEMBER 26, 1972

FOR RELEASE:
IMMEDIATE

A1475- P.2

Governor William T. Cahill signed into law today seven bills to supplement provisions of the new no-fault automobile insurance which goes into effect in New Jersey on January 1st. The Governor, who actively supported the no-fault package of legislation from its inception, commended the members of the Automobile Insurance Study Commission, Commissioner of Insurance Richard C. McDonough and the Legislature for their cooperation in passing this most important legislation.

The principal bill, ^{*A1471*} sponsored by Assemblyman Eugene Raymond (R., Camden), amends the No-Fault Act to clarify certain questions that arose since its passage. The bill changes make it clear that medically indigent individuals who receive free or low cost medical care may include reasonable value of those services in calculating the \$200 "threshold" amount to determine if they have the right to sue for damages. They broaden the personal injury protection benefits provided. They make it clear that camper-type vehicles are covered by no-fault insurance, and allow senior citizens to receive "income producer" benefits beyond age 65 under certain circumstances if they are injured in an automobile accident.

In addition, the bill gives the Commissioner of Insurance the necessary power to promulgate rules and regulations to implement and enforce the act and sets up a time limit during which individuals must claim personal injury protection benefits.

Bill A-802, also sponsored by Assemblyman Raymond, makes motor vehicle liability insurance coverage compulsory. Under this bill, any individual convicted of operating a motor vehicle in New Jersey without the minimum coverage can be punished by the courts as a disorderly person.

Another Raymond-sponsored measure, A-1007, requires all operators of motor vehicles in this State to carry an insurance identification card which demonstrates they have the required insurance coverage.

Two of the other bills amend the Unsatisfied Claim and Judgment Fund and the Security Responsibility Laws to coincide with the concept of No-Fault insurance. Bill A-803, sponsored by Assemblyman Thomas Deverin (D., Middlesex), provided that pedestrians injured by an uninsured driver, who should have no-fault insurance coverage but does not, will be able to collect no-fault benefits from the Unsatisfied Claim and Judgment Fund.

Under Bill A-804, sponsored by Assemblyman Raymond, the amounts of security which an uninsured individual involved in an accident must post with the Division of Motor Vehicles has been increased to coincide with the minimum limits of insurance coverage which an individual is now required to have in effect in order to operate a motor vehicle in New Jersey.

The other two of the seven bills were sponsored by Assemblyman Philip Kaltenbacher (R., Essex). A-1475 allows the Director of the Division of Motor Vehicles to control information supplied by insurance companies with respect to cancellation and non-renewal of automobile insurance policies. A-1477 requires insurance companies to supply information on the termination of motor vehicle insurance or the issuance or renewal of insurance as required by the Director of Motor Vehicles.

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