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P.L. 2022, CHAPTER 87, *approved August 5, 2022*  
Senate, No. 481 (*First Reprint*)

1 AN ACT concerning automobile insurance and amending P.L.1968,  
2 <sup>1</sup> ~~[c.35 and] c.385,~~<sup>1</sup> P.L.1972, c.197 <sup>1</sup>, and P.L.1972, c.170<sup>1</sup>.

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

6  
7 1. Section 2 of P.L.1968, c.385 (C.17:28-1.1) is amended to  
8 read as follows:

9 2. a. Except for a basic automobile insurance policy, no motor  
10 vehicle liability policy or renewal of such policy of insurance,  
11 including a standard liability policy for an automobile as defined in  
12 section 2 of P.L.1972, c.70 (C.39:6A-2), insuring against loss  
13 resulting from liability imposed by law for bodily injury or death,  
14 sustained by any person arising out of the ownership, maintenance  
15 or use of a motor vehicle, shall be issued in this State with respect  
16 to any motor vehicle registered or principally garaged in this State  
17 unless it includes coverage in limits for bodily injury or death as  
18 follows:

19 (1) an amount or limit of  ~~[\$15,000.00]~~ <sup>1</sup> ~~[\$50,000]~~ \$15,000 for  
20 plans issued or renewed prior to January 1, 2023, \$25,000 for plans  
21 issued or renewed on or after January 1, 2023 but prior to January  
22 1, 2026, and \$35,000 for plans issued or renewed on or after  
23 January 1, 2026<sup>1</sup>, exclusive of interest and costs, on account of  
24 injury to, or death of, one person, in any one accident, and

25 (2) an amount or limit, subject to such limit for any one person  
26 so injured or killed, of  ~~[\$30,000.00]~~ <sup>1</sup> ~~[\$100,000]~~ \$30,000 for  
27 plans issued or renewed prior to January 1, 2023, \$50,000 for plans  
28 issued or renewed on or after January 1, 2023 but prior to January  
29 1, 2026, and \$70,000 for plans issued or renewed on or after  
30 January 1, 2026<sup>1</sup>, exclusive of interest and costs, on account of  
31 injury to or death of more than one person, in any one accident,  
32 under provisions approved by the Commissioner of Banking and  
33 Insurance, for payment of all or part of the sums which the insured  
34 or his legal representative shall be legally entitled to recover as  
35 damages from the operator or owner of an uninsured motor vehicle,  
36 underinsured motor vehicle, or hit and run motor vehicle, as defined  
37 in section 18 of P.L.1952, c.174 (C.39:6-78), because of bodily  
38 injury, sickness or disease, including death resulting therefrom,  
39 sustained by the insured, caused by accident and arising out of the  
40 ownership, maintenance, operation or use of such uninsured ,

**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:

<sup>1</sup>Senate SBA committee amendments adopted June 27, 2022.

1 underinsured or hit and run motor vehicle anywhere within the  
2 United States or Canada; except that uninsured motorist coverage  
3 shall provide that in order to recover for non-economic loss, as  
4 defined in section 2 of P.L.1972, c.70 (C.39:6A-2), for accidents to  
5 which the benefits of section 4 (C.39:6A-4) of that act apply, the  
6 tort option elected pursuant to section 8 (C.39:6A-8) of that act  
7 shall apply to that injured person.

8 All motor vehicle liability policies, except basic automobile  
9 insurance policies, shall also include coverage for the payment of  
10 all or part of the sums which persons insured thereunder shall be  
11 legally entitled to recover as damages from owners or operators of  
12 uninsured and underinsured motor vehicles, other than hit and run  
13 motor vehicles, because of injury to or destruction to the personal  
14 property of such insured, with a limit in the aggregate for all  
15 insurers involved in any one accident of ~~【\$5,000.00】~~ \$25,000 <sup>1</sup>for  
16 plans issued or renewed on or after January 1, 2023<sup>1</sup>, and subject,  
17 for each insured, to an exclusion of the first \$500.00 of such  
18 damages.

19 b. Uninsured and underinsured motorist coverage shall be  
20 provided, as an option by an insurer to the named insured electing a  
21 standard automobile insurance policy, up to at least the following  
22 limits: \$250,000.00 each person and \$500,000.00 each accident for  
23 bodily injury; \$100,000.00 each accident for property damage or  
24 \$500,000.00 single limit, subject to an exclusion of the first \$500.00  
25 of such damage to property for each accident, except that the limits  
26 for uninsured and underinsured motorist coverage shall not exceed  
27 the insured's motor vehicle liability policy limits for bodily injury  
28 and property damage, respectively.

29 Rates for uninsured and underinsured motorist coverage for the  
30 same limits shall, for each filer, be uniform on a Statewide basis  
31 without regard to classification or territory.

32 c. Uninsured and underinsured motorist coverage provided for  
33 in this section shall not be increased by stacking the limits of  
34 coverage of multiple motor vehicles covered under the same policy  
35 of insurance nor shall these coverages be increased by stacking the  
36 limits of coverage of multiple policies available to the insured. If  
37 the insured had uninsured motorist coverage available under more  
38 than one policy, any recovery shall not exceed the higher of the  
39 applicable limits of the respective coverages and the recovery shall  
40 be prorated between the applicable coverages as the limits of each  
41 coverage bear to the total of the limits.

42 d. Uninsured and underinsured motorist coverage shall be  
43 subject to the policy terms, conditions and exclusions approved by  
44 the Commissioner of Banking and Insurance, including, but not  
45 limited to, unauthorized settlements, non-duplication of coverage,  
46 subrogation and arbitration.

47 e. For the purpose of this section, (1) "underinsured motorist  
48 coverage" means insurance for damages because of bodily injury

1 and property damage resulting from an accident arising out of the  
2 ownership, maintenance, operation or use of an underinsured motor  
3 vehicle. Underinsured motorist coverage shall not apply to an  
4 uninsured motor vehicle. A motor vehicle is underinsured when the  
5 sum of the limits of liability under all bodily injury and property  
6 damage liability bonds and insurance policies available to a person  
7 against whom recovery is sought for bodily injury or property  
8 damage is, at the time of the accident, less than the applicable limits  
9 for underinsured motorist coverage afforded under the motor  
10 vehicle insurance policy held by the person seeking that recovery.  
11 A motor vehicle shall not be considered an underinsured motor  
12 vehicle under this section unless the limits of all bodily injury  
13 liability insurance or bonds applicable at the time of the accident  
14 have been exhausted by payment of settlements or judgments. The  
15 limits of underinsured motorist coverage available to an injured  
16 person shall be reduced by the amount he has recovered under all  
17 bodily injury liability insurance or bonds;

18 (2) "uninsured motor vehicle" means:

19 (a) a motor vehicle with respect to the ownership, operation,  
20 maintenance, or use of which there is no bodily injury liability  
21 insurance or bond applicable at the time of the accident;

22 (b) a motor vehicle with respect to the ownership, operation,  
23 maintenance, or use of which there is bodily injury liability  
24 insurance in existence but the liability insurer denies coverage or is  
25 unable to make payment with respect to the legal liability of its  
26 insured because the insurer has become insolvent or bankrupt, or  
27 the Commissioner of Banking and Insurance has undertaken control  
28 of the insurer for the purpose of liquidation;

29 (c) a hit and run motor vehicle as described in section 18 of  
30 P.L.1952, c.174 (C.39:6-78); or

31 (d) an automobile covered by a special automobile insurance  
32 policy pursuant to section 45 of P.L.2003, c.89 (C.39:6A-3.3).

33 "Uninsured motor vehicle" shall not include an automobile  
34 covered by a basic automobile insurance policy; an underinsured  
35 motor vehicle; a motor vehicle owned by or furnished for the  
36 regular use of the named insured or any resident of the same  
37 household; a self-insurer within the meaning of any financial  
38 responsibility or similar law of the state in which the motor vehicle  
39 is registered or principally garaged; a motor vehicle which is owned  
40 by the United States or Canada, or a state, political subdivision or  
41 agency of those governments or any of the foregoing; a land motor  
42 vehicle or trailer operated on rails or crawler treads; a motor vehicle  
43 used as a residence or stationary structure and not as a vehicle; or  
44 equipment or vehicles designed for use principally off public roads,  
45 except while actually upon public roads.

46 f. Notwithstanding the provisions of this section or any other  
47 law to the contrary, a motor vehicle liability policy or renewal of  
48 such policy of insurance, insuring against loss resulting from

1 liability imposed by law for bodily injury or death, sustained by any  
2 person arising out of the ownership, maintenance or use of a motor  
3 vehicle, issued in this State to a corporate or business entity with  
4 respect to any motor vehicle registered or principally garaged in this  
5 State, shall not provide less uninsured or underinsured motorist  
6 coverage for an individual employed by the corporate or business  
7 entity than the coverage provided to the named insured under the  
8 policy. A policy that names a corporate or business entity as a  
9 named insured shall be deemed to provide the maximum uninsured  
10 or underinsured motorist coverage available under the policy to an  
11 individual employed by the corporate or business entity, regardless  
12 of whether the individual is an additional named insured under that  
13 policy or is a named insured or is covered under any other policy  
14 providing uninsured or underinsured motorist coverage.  
15 (cf: P.L.2007, c.163)

16

17 2. Section 1 of P.L.1972, c.197 (C.39:6B-1) is amended to read  
18 as follows:

19 1. a. Every owner or registered owner of a motor vehicle  
20 registered or principally garaged in this State shall maintain motor  
21 vehicle liability insurance coverage, under provisions approved by  
22 the Commissioner of Banking and Insurance, insuring against loss  
23 resulting from liability imposed by law for bodily injury, death and  
24 property damage sustained by any person arising out of the  
25 ownership, maintenance, operation or use of a motor vehicle  
26 wherein such coverage shall be at least in: (1) an amount or limit of  
27 ~~[\$15,000.00]~~ <sup>1</sup>~~[\$50,000]~~ \$15,000 for plans issued or renewed prior  
28 to January 1, 2023, \$25,000 for plans issued or renewed on or after  
29 January 1, 2023 but prior to January 1, 2026, and \$35,000 for plans  
30 issued or renewed on or after January 1, 2026<sup>1</sup>, exclusive of interest  
31 and costs, on account of injury to, or death of, one person, in any  
32 one accident; and (2) an amount or limit, subject to such limit for  
33 any one person so injured or killed, of ~~[\$30,000.00]~~ <sup>1</sup>~~[\$100,000]~~  
34 \$30,000 for plans issued or renewed prior to January 1, 2023,  
35 \$50,000 for plans issued or renewed on or after January 1, 2023 but  
36 prior to January 1, 2026, and \$70,000 for plans issued or renewed  
37 on or after January 1, 2026<sup>1</sup>, exclusive of interest and costs, on  
38 account of injury to or death of, more than one person, in any one  
39 accident; and (3) an amount or limit of ~~[\$5,000.00]~~ \$25,000 <sup>1</sup>for  
40 plans issued or renewed on or after January 1, 2023<sup>1</sup>, exclusive of  
41 interest and costs, for damage to property in any one accident.

42 b. Notwithstanding the provisions of subsection a. of this  
43 section, an owner or registered owner of an automobile, as defined  
44 in section 2 of P.L.1972, c.70 (C.39:6A-2), registered or primarily  
45 garaged in the State may satisfy the requirements of subsection a. of  
46 this section by maintaining a basic automobile insurance policy

1 containing coverages provided pursuant to subsections a. and b. of  
2 section 4 of P.L.1998, c.21 (C.39:6A-3.1).

3 c. Notwithstanding the provisions of subsection a. of this  
4 section, an owner or registered owner of an automobile, as defined  
5 in section 2 of P.L.1972, c.70 (C.39:6A-2), registered or primarily  
6 garaged in the State may satisfy the requirements of subsection a. of  
7 this section by maintaining a special automobile insurance policy  
8 containing coverages provided pursuant to subsection b. of section  
9 45 of P.L.2003, c.89 (C.39:6A-3.3).

10 <sup>1</sup>d. Upon the renewal of a policy of insurance that, under its  
11 original policy limits, would no longer meet the minimum  
12 requirements established pursuant to this section, an insurer shall  
13 notify the named insured that the policy limits have been increased  
14 to meet the requirements established pursuant to this section. Notice  
15 provided pursuant to this subsection shall specify the limit or limits  
16 that have been increased to meet the requirements established  
17 pursuant to this section. Notwithstanding the provisions of any law,  
18 rule, or regulation to the contrary, an insurer shall not be required to  
19 receive a signed coverage selection form pursuant to N.J.A.C.11:3-  
20 15.7, to increase a policy's limits pursuant to this section.<sup>1</sup>  
21 (cf: P.L.2003, c.89, s.60)

22  
23 <sup>1</sup>3. Section 3 of P.L.1972, c.170 (C.39:6A-3) is amended to read  
24 as follows:

25 3. Compulsory automobile insurance coverage; limits. Except  
26 as provided by section 4 of P.L.1998, c.21 (C.39:6A-3.1), every  
27 owner or registered owner of an automobile registered or  
28 principally garaged in this State shall maintain automobile liability  
29 insurance coverage, under provisions approved by the  
30 Commissioner of Banking and Insurance, insuring against loss  
31 resulting from liability imposed by law for bodily injury, death and  
32 property damage sustained by any person arising out of the  
33 ownership, maintenance, operation or use of an automobile wherein  
34 such coverage shall be at least in:

35 a. an amount or limit of \$15,000.00 for plans issued or renewed  
36 prior to January 1, 2023, \$25,000 for plans issued or renewed on or  
37 after January 1, 2023 but prior to January 1, 2026, and \$35,000 for  
38 plans issued or renewed on or after January 1, 2026, exclusive of  
39 interest and costs, on account of injury to, or death of, one person,  
40 in any one accident; and

41 b. an amount or limit, subject to such limit for any one person  
42 so injured or killed, of \$30,000.00 for plans issued or renewed prior  
43 to January 1, 2023, \$50,000 for plans issued or renewed on or after  
44 January 1, 2023 but prior to January 1, 2026, and \$70,000 for plans  
45 issued or renewed on or after January 1, 2026, exclusive of interest  
46 and costs, on account of injury to or death of, more than one person,  
47 in any one accident; and

1 c. an amount or limit of ~~【\$5,000.00】~~ \$25,000 for plans issued  
2 or renewed on or after January 1, 2023, exclusive of interest and  
3 costs, for damage to property in any one accident.

4 No licensed insurance carrier shall refuse to renew the required  
5 coverage stipulated by this act of an eligible person as defined in  
6 section 25 of P.L.1990, c.8 (C.17:33B-13) except in accordance  
7 with the provisions of section 26 of P.L.1988, c.119 (C.17:29C-7.1)  
8 or with the consent of the Commissioner of Banking and Insurance.  
9 (cf: P.L.1998, c.21, s.3)<sup>1</sup>

10

11 <sup>1</sup>~~【3.】~~ 4.<sup>1</sup> This act shall take effect immediately.

12

13

14

15

16 Requires automobile insurance policies to provide certain  
17 minimum amounts of liability, uninsured motorist, and  
18 underinsured motorist coverage.



# SENATE, No. 481

## STATE OF NEW JERSEY 220th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

**Sponsored by:**

**Senator NICHOLAS P. SCUTARI**

**District 22 (Middlesex, Somerset and Union)**

**Senator JON M. BRAMNICK**

**District 21 (Morris, Somerset and Union)**

**Co-Sponsored by:**

**Senator Diegnan**

**SYNOPSIS**

Requires automobile insurance policies to provide certain minimum amounts of liability, uninsured motorist, and underinsured motorist coverage.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



**(Sponsorship Updated As Of: 6/20/2022)**

1 AN ACT concerning automobile insurance and amending P.L.1968,  
2 c.35 and P.L.1972, c.197.

3

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

6

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

9 2. a. Except for a basic automobile insurance policy, no motor  
10 vehicle liability policy or renewal of such policy of insurance,  
11 including a standard liability policy for an automobile as defined in  
12 section 2 of P.L.1972, c.70 (C.39:6A-2), insuring against loss  
13 resulting from liability imposed by law for bodily injury or death,  
14 sustained by any person arising out of the ownership, maintenance  
15 or use of a motor vehicle, shall be issued in this State with respect  
16 to any motor vehicle registered or principally garaged in this State  
17 unless it includes coverage in limits for bodily injury or death as  
18 follows:

19 (1) an amount or limit of **[\$15,000.00]** \$50,000, exclusive of  
20 interest and costs, on account of injury to, or death of, one person,  
21 in any one accident, and

22 (2) an amount or limit, subject to such limit for any one person  
23 so injured or killed, of **[\$30,000.00]** \$100,000, exclusive of interest  
24 and costs, on account of injury to or death of more than one person,  
25 in any one accident, under provisions approved by the  
26 Commissioner of Banking and Insurance, for payment of all or part  
27 of the sums which the insured or his legal representative shall be  
28 legally entitled to recover as damages from the operator or owner of  
29 an uninsured motor vehicle, underinsured motor vehicle, or hit and  
30 run motor vehicle, as defined in section 18 of P.L.1952, c.174  
31 (C.39:6-78), because of bodily injury, sickness or disease, including  
32 death resulting therefrom, sustained by the insured, caused by  
33 accident and arising out of the ownership, maintenance, operation  
34 or use of such uninsured, underinsured or hit and run motor vehicle  
35 anywhere within the United States or Canada; except that uninsured  
36 motorist coverage shall provide that in order to recover for non-  
37 economic loss, as defined in section 2 of P.L.1972, c.70 (C.39:6A-  
38 2), for accidents to which the benefits of section 4 (C.39:6A-4) of  
39 that act apply, the tort option elected pursuant to section 8  
40 (C.39:6A-8) of that act shall apply to that injured person.

41 All motor vehicle liability policies, except basic automobile  
42 insurance policies, shall also include coverage for the payment of  
43 all or part of the sums which persons insured thereunder shall be  
44 legally entitled to recover as damages from owners or operators of  
45 uninsured and underinsured motor vehicles, other than hit and run

**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 motor vehicles, because of injury to or destruction to the personal  
2 property of such insured, with a limit in the aggregate for all  
3 insurers involved in any one accident of ~~【\$5,000.00】~~\$25,000, and  
4 subject, for each insured, to an exclusion of the first \$500.00 of  
5 such damages.

6 b. Uninsured and underinsured motorist coverage shall be  
7 provided, as an option by an insurer to the named insured electing a  
8 standard automobile insurance policy, up to at least the following  
9 limits: \$250,000.00 each person and \$500,000.00 each accident for  
10 bodily injury; \$100,000.00 each accident for property damage or  
11 \$500,000.00 single limit, subject to an exclusion of the first \$500.00  
12 of such damage to property for each accident, except that the limits  
13 for uninsured and underinsured motorist coverage shall not exceed  
14 the insured's motor vehicle liability policy limits for bodily injury  
15 and property damage, respectively.

16 Rates for uninsured and underinsured motorist coverage for the  
17 same limits shall, for each filer, be uniform on a Statewide basis  
18 without regard to classification or territory.

19 c. Uninsured and underinsured motorist coverage provided for  
20 in this section shall not be increased by stacking the limits of  
21 coverage of multiple motor vehicles covered under the same policy  
22 of insurance nor shall these coverages be increased by stacking the  
23 limits of coverage of multiple policies available to the insured. If  
24 the insured had uninsured motorist coverage available under more  
25 than one policy, any recovery shall not exceed the higher of the  
26 applicable limits of the respective coverages and the recovery shall  
27 be prorated between the applicable coverages as the limits of each  
28 coverage bear to the total of the limits.

29 d. Uninsured and underinsured motorist coverage shall be  
30 subject to the policy terms, conditions and exclusions approved by  
31 the Commissioner of Banking and Insurance, including, but not  
32 limited to, unauthorized settlements, non-duplication of coverage,  
33 subrogation and arbitration.

34 e. For the purpose of this section, (1) "underinsured motorist  
35 coverage" means insurance for damages because of bodily injury  
36 and property damage resulting from an accident arising out of the  
37 ownership, maintenance, operation or use of an underinsured motor  
38 vehicle. Underinsured motorist coverage shall not apply to an  
39 uninsured motor vehicle. A motor vehicle is underinsured when the  
40 sum of the limits of liability under all bodily injury and property  
41 damage liability bonds and insurance policies available to a person  
42 against whom recovery is sought for bodily injury or property  
43 damage is, at the time of the accident, less than the applicable limits  
44 for underinsured motorist coverage afforded under the motor  
45 vehicle insurance policy held by the person seeking that recovery.  
46 A motor vehicle shall not be considered an underinsured motor  
47 vehicle under this section unless the limits of all bodily injury  
48 liability insurance or bonds applicable at the time of the accident

1 have been exhausted by payment of settlements or judgments. The  
2 limits of underinsured motorist coverage available to an injured  
3 person shall be reduced by the amount he has recovered under all  
4 bodily injury liability insurance or bonds;

5 (2) "uninsured motor vehicle" means:

6 (a) a motor vehicle with respect to the ownership, operation,  
7 maintenance, or use of which there is no bodily injury liability  
8 insurance or bond applicable at the time of the accident;

9 (b) a motor vehicle with respect to the ownership, operation,  
10 maintenance, or use of which there is bodily injury liability  
11 insurance in existence but the liability insurer denies coverage or is  
12 unable to make payment with respect to the legal liability of its  
13 insured because the insurer has become insolvent or bankrupt, or  
14 the Commissioner of Banking and Insurance has undertaken control  
15 of the insurer for the purpose of liquidation;

16 (c) a hit and run motor vehicle as described in section 18 of  
17 P.L.1952, c.174 (C.39:6-78); or

18 (d) an automobile covered by a special automobile insurance  
19 policy pursuant to section 45 of P.L.2003, c.89 (C.39:6A-3.3).

20 "Uninsured motor vehicle" shall not include an automobile  
21 covered by a basic automobile insurance policy; an underinsured  
22 motor vehicle; a motor vehicle owned by or furnished for the  
23 regular use of the named insured or any resident of the same  
24 household; a self-insurer within the meaning of any financial  
25 responsibility or similar law of the state in which the motor vehicle  
26 is registered or principally garaged; a motor vehicle which is owned  
27 by the United States or Canada, or a state, political subdivision or  
28 agency of those governments or any of the foregoing; a land motor  
29 vehicle or trailer operated on rails or crawler treads; a motor vehicle  
30 used as a residence or stationary structure and not as a vehicle; or  
31 equipment or vehicles designed for use principally off public roads,  
32 except while actually upon public roads.

33 f. Notwithstanding the provisions of this section or any other  
34 law to the contrary, a motor vehicle liability policy or renewal of  
35 such policy of insurance, insuring against loss resulting from  
36 liability imposed by law for bodily injury or death, sustained by any  
37 person arising out of the ownership, maintenance or use of a motor  
38 vehicle, issued in this State to a corporate or business entity with  
39 respect to any motor vehicle registered or principally garaged in this  
40 State, shall not provide less uninsured or underinsured motorist  
41 coverage for an individual employed by the corporate or business  
42 entity than the coverage provided to the named insured under the  
43 policy. A policy that names a corporate or business entity as a  
44 named insured shall be deemed to provide the maximum uninsured  
45 or underinsured motorist coverage available under the policy to an  
46 individual employed by the corporate or business entity, regardless  
47 of whether the individual is an additional named insured under that

1 policy or is a named insured or is covered under any other policy  
2 providing uninsured or underinsured motorist coverage.  
3 (cf: P.L.2007, c.163)  
4

5 2. Section 1 of P.L.1972, c.197 (C.39:6B-1) is amended to read  
6 as follows:

7 1. a. Every owner or registered owner of a motor vehicle  
8 registered or principally garaged in this State shall maintain motor  
9 vehicle liability insurance coverage, under provisions approved by  
10 the Commissioner of Banking and Insurance, insuring against loss  
11 resulting from liability imposed by law for bodily injury, death and  
12 property damage sustained by any person arising out of the  
13 ownership, maintenance, operation or use of a motor vehicle  
14 wherein such coverage shall be at least in: (1) an amount or limit of  
15 ~~【\$15,000.00】~~ \$50,000, exclusive of interest and costs, on account  
16 of injury to, or death of, one person, in any one accident; and (2) an  
17 amount or limit, subject to such limit for any one person so injured  
18 or killed, of ~~【\$30,000.00】~~ \$100,000, exclusive of interest and costs,  
19 on account of injury to or death of, more than one person, in any  
20 one accident; and (3) an amount or limit of ~~【\$5,000.00】~~ \$25,000,  
21 exclusive of interest and costs, for damage to property in any one  
22 accident.

23 b. Notwithstanding the provisions of subsection a. of this  
24 section, an owner or registered owner of an automobile, as defined  
25 in section 2 of P.L.1972, c.70 (C.39:6A-2), registered or primarily  
26 garaged in the State may satisfy the requirements of subsection a. of  
27 this section by maintaining a basic automobile insurance policy  
28 containing coverages provided pursuant to subsections a. and b. of  
29 section 4 of P.L.1998, c.21 (C.39:6A-3.1).

30 c. Notwithstanding the provisions of subsection a. of this  
31 section, an owner or registered owner of an automobile, as defined  
32 in section 2 of P.L.1972, c.70 (C.39:6A-2), registered or primarily  
33 garaged in the State may satisfy the requirements of subsection a. of  
34 this section by maintaining a special automobile insurance policy  
35 containing coverages provided pursuant to subsection b. of section  
36 45 of P.L.2003, c.89 (C.39:6A-3.3).

37 (cf: P.L.2003, c.89, s.60)  
38

39 3. This act shall take effect immediately.  
40  
41

42 STATEMENT  
43

44 This bill requires automobile insurance policies to provide  
45 certain minimum amounts of liability, uninsured motorist, and  
46 underinsured motorist coverage.

47 Under this bill, the minimum amount of coverage for uninsured  
48 motorist and underinsured motorist coverage under a standard

**S481 SCUTARI, BRAMNICK**

6

1 automobile insurance is raised to \$50,000 for an accident causing  
2 bodily injury or death to a single person and \$100,000 for an  
3 accident causing the injury or death of more than one person.  
4 Additionally, a standard automobile insurance policy will be  
5 required to provide liability coverage of at least: (1) an amount or  
6 limit of \$50,000, exclusive of interest and costs, on account of  
7 injury to, or death of, one person, in any one accident; and (2) an  
8 amount or limit, subject to such limit for any one person so injured  
9 or killed, of \$100,000, exclusive of interest and costs, on account of  
10 injury to or death of, more than one person, in any one accident;  
11 and (3) an amount or limit of \$25,000, exclusive of interest and  
12 costs, for damage to property in any one accident.

SENATE COMMERCE COMMITTEE

STATEMENT TO

**SENATE, No. 481**

**STATE OF NEW JERSEY**

DATED: JUNE 20, 2022

The Senate Commerce Committee reports favorably Senate Bill No. 481.

This bill requires automobile insurance policies to provide certain minimum amounts of liability, uninsured motorist, and underinsured motorist coverage.

Under this bill, the minimum amount of coverage for uninsured motorist and underinsured motorist coverage under a standard automobile insurance is raised to \$50,000 for an accident causing bodily injury or death to a single person and \$100,000 for an accident causing the injury or death of more than one person. Additionally, a standard automobile insurance policy will be required to provide liability coverage of at least: (1) an amount or limit of \$50,000, exclusive of interest and costs, on account of injury to, or death of, one person, in any one accident; and (2) an amount or limit, subject to such limit for any one person so injured or killed, of \$100,000, exclusive of interest and costs, on account of injury to or death of, more than one person, in any one accident; and (3) an amount or limit of \$25,000, exclusive of interest and costs, for damage to property in any one accident.

This bill was pre-filed for introduction in the 2022-2023 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### **SENATE, No. 481**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: JUNE 27, 2022

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 481.

As amended, this bill requires automobile insurance policies to provide certain minimum amounts of liability, uninsured motorist, and underinsured motorist coverage.

This bill raises the minimum amount of coverage for a standard automobile insurance policy and for uninsured motorist and underinsured motorist coverage under a standard automobile insurance policy to at least: (1) an amount or limit of, \$25,000 for plans issued or renewed on or after January 1, 2023 but prior to January 1, 2026, and \$35,000 for plans issued or renewed on or after January 1, 2026, exclusive of interest and costs, on account of injury to, or death of, one person, in any one accident; and (2) an amount or limit, subject to such limit for any one person so injured or killed, of \$50,000 for plans issued or renewed after January 1, 2023 but prior to January 1, 2026, and \$70,000 for plans issued or renewed after January 1, 2026, exclusive of interest and costs, on account of injury to or death of, more than one person, in any one accident; and (3) for plans issued or renewed after January 1, 2023, an amount or limit of \$25,000, exclusive of interest and costs, for damage to property in any one accident.

The bill also requires an insurer, upon the renewal of a policy of insurance that under its original policy limits would not meet the minimum bodily injury liability coverage requirements established under the bill, to notify the named insured of the increase in policy limits to meet the requirements of the bill. In addition, the bill stipulates that an insurer increasing policy limits to comply with the provisions of the bill is not required to receive a signed coverage selection form as is otherwise required.

As amended and reported, this bill is identical to Assembly Bill No. 4291 (1R).

#### COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) change the minimum amount of liability coverage for a standard automobile insurance policy and for uninsured motorist and



underinsured motorist coverage under a standard automobile insurance policy to (a) for injury to or death of, one person in any one accident, \$25,000 for plans issued or renewed on or after January 1, 2023 but prior to January 1, 2026 and \$35,000 for plans issued or renewed on or after January 1, 2026; (b) for all persons injured or killed in any one accident, \$50,000 for plans issued or renewed on or after January 1, 2023 but prior to January 1, 2026 and \$70,000 for plans issued or renewed on or after January 1, 2026; and (c) for damage to property in any one accident, \$25,000 for plans issued or renewed on or after January 1, 2023;

(2) require an insurer, upon the renewal of a policy of insurance that under its original policy limits would not meet the minimum bodily injury liability coverage requirements established under the bill, to notify the named insured of the increase in policy limits to meet the requirements of the bill; and

(3) stipulate that an insurer increasing policy limits to comply with the provisions of the bill is not required to receive a signed coverage selection form as is otherwise required.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.

# ASSEMBLY, No. 4291

## STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED JUNE 16, 2022

**Sponsored by:**

**Assemblyman LOUIS D. GREENWALD**

**District 6 (Burlington and Camden)**

**Assemblyman HERB CONAWAY, JR.**

**District 7 (Burlington)**

**SYNOPSIS**

Requires automobile insurance policies to provide certain minimum amounts of liability, uninsured motorist, and underinsured motorist coverage.

**CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 6/16/2022)

1 AN ACT concerning automobile insurance and amending P.L.1968,  
2 c.35 and P.L.1972, c.197.

3

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

6

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

9 2. a. Except for a basic automobile insurance policy, no motor  
10 vehicle liability policy or renewal of such policy of insurance,  
11 including a standard liability policy for an automobile as defined in  
12 section 2 of P.L.1972, c.70 (C.39:6A-2), insuring against loss  
13 resulting from liability imposed by law for bodily injury or death,  
14 sustained by any person arising out of the ownership, maintenance  
15 or use of a motor vehicle, shall be issued in this State with respect  
16 to any motor vehicle registered or principally garaged in this State  
17 unless it includes coverage in limits for bodily injury or death as  
18 follows:

19 (1) an amount or limit of **[\$15,000.00]** \$50,000, exclusive of  
20 interest and costs, on account of injury to, or death of, one person,  
21 in any one accident, and

22 (2) an amount or limit, subject to such limit for any one person  
23 so injured or killed, of **[\$30,000.00]** \$100,000, exclusive of interest  
24 and costs, on account of injury to or death of more than one person,  
25 in any one accident, under provisions approved by the  
26 Commissioner of Banking and Insurance, for payment of all or part  
27 of the sums which the insured or his legal representative shall be  
28 legally entitled to recover as damages from the operator or owner of  
29 an uninsured motor vehicle, underinsured motor vehicle, or hit and  
30 run motor vehicle, as defined in section 18 of P.L.1952, c.174  
31 (C.39:6-78), because of bodily injury, sickness or disease, including  
32 death resulting therefrom, sustained by the insured, caused by  
33 accident and arising out of the ownership, maintenance, operation  
34 or use of such uninsured, underinsured or hit and run motor vehicle  
35 anywhere within the United States or Canada; except that uninsured  
36 motorist coverage shall provide that in order to recover for non-  
37 economic loss, as defined in section 2 of P.L.1972, c.70 (C.39:6A-  
38 2), for accidents to which the benefits of section 4 (C.39:6A-4) of  
39 that act apply, the tort option elected pursuant to section 8  
40 (C.39:6A-8) of that act shall apply to that injured person.

41 All motor vehicle liability policies, except basic automobile  
42 insurance policies, shall also include coverage for the payment of  
43 all or part of the sums which persons insured thereunder shall be  
44 legally entitled to recover as damages from owners or operators of  
45 uninsured and underinsured motor vehicles, other than hit and run  
46 motor vehicles, because of injury to or destruction to the personal

**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 property of such insured, with a limit in the aggregate for all  
2 insurers involved in any one accident of ~~【\$5,000.00】~~\$25,000, and  
3 subject, for each insured, to an exclusion of the first \$500.00 of  
4 such damages.

5 b. Uninsured and underinsured motorist coverage shall be  
6 provided, as an option by an insurer to the named insured electing a  
7 standard automobile insurance policy, up to at least the following  
8 limits: \$250,000.00 each person and \$500,000.00 each accident for  
9 bodily injury; \$100,000.00 each accident for property damage or  
10 \$500,000.00 single limit, subject to an exclusion of the first \$500.00  
11 of such damage to property for each accident, except that the limits  
12 for uninsured and underinsured motorist coverage shall not exceed  
13 the insured's motor vehicle liability policy limits for bodily injury  
14 and property damage, respectively.

15 Rates for uninsured and underinsured motorist coverage for the  
16 same limits shall, for each filer, be uniform on a Statewide basis  
17 without regard to classification or territory.

18 c. Uninsured and underinsured motorist coverage provided for  
19 in this section shall not be increased by stacking the limits of  
20 coverage of multiple motor vehicles covered under the same policy  
21 of insurance nor shall these coverages be increased by stacking the  
22 limits of coverage of multiple policies available to the insured. If  
23 the insured had uninsured motorist coverage available under more  
24 than one policy, any recovery shall not exceed the higher of the  
25 applicable limits of the respective coverages and the recovery shall  
26 be prorated between the applicable coverages as the limits of each  
27 coverage bear to the total of the limits.

28 d. Uninsured and underinsured motorist coverage shall be  
29 subject to the policy terms, conditions and exclusions approved by  
30 the Commissioner of Banking and Insurance, including, but not  
31 limited to, unauthorized settlements, non-duplication of coverage,  
32 subrogation and arbitration.

33 e. For the purpose of this section, (1) "underinsured motorist  
34 coverage" means insurance for damages because of bodily injury  
35 and property damage resulting from an accident arising out of the  
36 ownership, maintenance, operation or use of an underinsured motor  
37 vehicle. Underinsured motorist coverage shall not apply to an  
38 uninsured motor vehicle. A motor vehicle is underinsured when the  
39 sum of the limits of liability under all bodily injury and property  
40 damage liability bonds and insurance policies available to a person  
41 against whom recovery is sought for bodily injury or property  
42 damage is, at the time of the accident, less than the applicable limits  
43 for underinsured motorist coverage afforded under the motor  
44 vehicle insurance policy held by the person seeking that recovery.  
45 A motor vehicle shall not be considered an underinsured motor  
46 vehicle under this section unless the limits of all bodily injury  
47 liability insurance or bonds applicable at the time of the accident  
48 have been exhausted by payment of settlements or judgments. The

1 limits of underinsured motorist coverage available to an injured  
2 person shall be reduced by the amount he has recovered under all  
3 bodily injury liability insurance or bonds;

4 (2) "uninsured motor vehicle" means:

5 (a) a motor vehicle with respect to the ownership, operation,  
6 maintenance, or use of which there is no bodily injury liability  
7 insurance or bond applicable at the time of the accident;

8 (b) a motor vehicle with respect to the ownership, operation,  
9 maintenance, or use of which there is bodily injury liability  
10 insurance in existence but the liability insurer denies coverage or is  
11 unable to make payment with respect to the legal liability of its  
12 insured because the insurer has become insolvent or bankrupt, or  
13 the Commissioner of Banking and Insurance has undertaken control  
14 of the insurer for the purpose of liquidation;

15 (c) a hit and run motor vehicle as described in section 18 of  
16 P.L.1952, c.174 (C.39:6-78); or

17 (d) an automobile covered by a special automobile insurance  
18 policy pursuant to section 45 of P.L.2003, c.89 (C.39:6A-3.3).

19 "Uninsured motor vehicle" shall not include an automobile  
20 covered by a basic automobile insurance policy; an underinsured  
21 motor vehicle; a motor vehicle owned by or furnished for the  
22 regular use of the named insured or any resident of the same  
23 household; a self-insurer within the meaning of any financial  
24 responsibility or similar law of the state in which the motor vehicle  
25 is registered or principally garaged; a motor vehicle which is owned  
26 by the United States or Canada, or a state, political subdivision or  
27 agency of those governments or any of the foregoing; a land motor  
28 vehicle or trailer operated on rails or crawler treads; a motor vehicle  
29 used as a residence or stationary structure and not as a vehicle; or  
30 equipment or vehicles designed for use principally off public roads,  
31 except while actually upon public roads.

32 f. Notwithstanding the provisions of this section or any other  
33 law to the contrary, a motor vehicle liability policy or renewal of  
34 such policy of insurance, insuring against loss resulting from  
35 liability imposed by law for bodily injury or death, sustained by any  
36 person arising out of the ownership, maintenance or use of a motor  
37 vehicle, issued in this State to a corporate or business entity with  
38 respect to any motor vehicle registered or principally garaged in this  
39 State, shall not provide less uninsured or underinsured motorist  
40 coverage for an individual employed by the corporate or business  
41 entity than the coverage provided to the named insured under the  
42 policy. A policy that names a corporate or business entity as a  
43 named insured shall be deemed to provide the maximum uninsured  
44 or underinsured motorist coverage available under the policy to an  
45 individual employed by the corporate or business entity, regardless  
46 of whether the individual is an additional named insured under that  
47 policy or is a named insured or is covered under any other policy

1 providing uninsured or underinsured motorist coverage.  
2 (cf: P.L.2007, c.163)

3

4 2. Section 1 of P.L.1972, c.197 (C.39:6B-1) is amended to read  
5 as follows:

6 1. a. Every owner or registered owner of a motor vehicle  
7 registered or principally garaged in this State shall maintain motor  
8 vehicle liability insurance coverage, under provisions approved by  
9 the Commissioner of Banking and Insurance, insuring against loss  
10 resulting from liability imposed by law for bodily injury, death and  
11 property damage sustained by any person arising out of the  
12 ownership, maintenance, operation or use of a motor vehicle  
13 wherein such coverage shall be at least in: (1) an amount or limit of  
14 ~~【\$15,000.00】~~ \$50,000, exclusive of interest and costs, on account  
15 of injury to, or death of, one person, in any one accident; and (2) an  
16 amount or limit, subject to such limit for any one person so injured  
17 or killed, of ~~【\$30,000.00】~~ \$100,000, exclusive of interest and costs,  
18 on account of injury to or death of, more than one person, in any  
19 one accident; and (3) an amount or limit of ~~【\$5,000.00】~~ \$25,000,  
20 exclusive of interest and costs, for damage to property in any one  
21 accident.

22 b. Notwithstanding the provisions of subsection a. of this  
23 section, an owner or registered owner of an automobile, as defined  
24 in section 2 of P.L.1972, c.70 (C.39:6A-2), registered or primarily  
25 garaged in the State may satisfy the requirements of subsection a. of  
26 this section by maintaining a basic automobile insurance policy  
27 containing coverages provided pursuant to subsections a. and b. of  
28 section 4 of P.L.1998, c.21 (C.39:6A-3.1).

29 c. Notwithstanding the provisions of subsection a. of this  
30 section, an owner or registered owner of an automobile, as defined  
31 in section 2 of P.L.1972, c.70 (C.39:6A-2), registered or primarily  
32 garaged in the State may satisfy the requirements of subsection a. of  
33 this section by maintaining a special automobile insurance policy  
34 containing coverages provided pursuant to subsection b. of section  
35 45 of P.L.2003, c.89 (C.39:6A-3.3).

36 (cf: P.L.2003, c.89, s.60)

37

38 3. This act shall take effect immediately.

39

40

41

#### STATEMENT

42

43 This bill requires automobile insurance policies to provide  
44 certain minimum amounts of liability, uninsured motorist, and  
45 underinsured motorist coverage.

46 Under this bill, the minimum amount of coverage for uninsured  
47 motorist and underinsured motorist coverage under a standard  
48 automobile insurance is raised to \$50,000 for an accident causing

**A4291 GREENWALD, CONAWAY**

6

1   bodily injury or death to a single person and \$100,000 for an  
2   accident causing the injury or death of more than one person.  
3   Additionally, a standard automobile insurance policy will be  
4   required to provide liability coverage of at least: (1) an amount or  
5   limit of \$50,000, exclusive of interest and costs, on account of  
6   injury to, or death of, one person, in any one accident; and (2) an  
7   amount or limit, subject to such limit for any one person so injured  
8   or killed, of \$100,000, exclusive of interest and costs, on account of  
9   injury to or death of, more than one person, in any one accident;  
10   and (3) an amount or limit of \$25,000, exclusive of interest and  
11   costs, for damage to property in any one accident.

ASSEMBLY FINANCIAL INSTITUTIONS AND INSURANCE  
COMMITTEE

STATEMENT TO  
**ASSEMBLY, No. 4291**

with committee amendments

**STATE OF NEW JERSEY**

DATED: JUNE 23, 2022

The Assembly Financial Institutions and Insurance Committee reports favorably and with committee amendments Assembly Bill No. 4291.

As amended, this bill requires automobile insurance policies to provide certain minimum amounts of liability, uninsured motorist, and underinsured motorist coverage.

This bill raises the minimum amount of coverage for a standard automobile insurance policy and for uninsured motorist and underinsured motorist coverage under a standard automobile insurance policy to at least: (1) an amount or limit of, \$25,000 for plans issued or renewed on or after January 1, 2023 but prior to January 1, 2026, and \$35,000 for plans issued or renewed on or after January 1, 2026, exclusive of interest and costs, on account of injury to, or death of, one person, in any one accident; and (2) an amount or limit, subject to such limit for any one person so injured or killed, of \$50,000 for plans issued or renewed after January 1, 2023 but prior to January 1, 2026, and \$70,000 for plans issued or renewed after January 1, 2026, exclusive of interest and costs, on account of injury to or death of, more than one person, in any one accident; and (3) for plans issued or renewed after January 1, 2023, an amount or limit of \$25,000, exclusive of interest and costs, for damage to property in any one accident.

The bill also requires an insurer, upon the renewal of a policy of insurance that under its original policy limits would not meet the minimum bodily injury liability coverage requirements established under the bill, to notify the named insured of the increase in policy limits to meet the requirements of the bill. In addition, the bill stipulates that an insurer increasing policy limits to comply with the provisions of the bill is not required to receive a signed coverage selection form as is otherwise required.

COMMITTEE AMENDMENTS:

The committee amended the bill to:



(1) change the minimum amount of liability coverage for a standard automobile insurance policy and for uninsured motorist and underinsured motorist coverage under a standard automobile insurance policy to (a) for injury to or death of, one person in any one accident, \$25,000 for plans issued or renewed on or after January 1, 2023 but prior to January 1, 2026 and \$35,000 for plans issued or renewed on or after January 1, 2026; (b) for all persons injured or killed in any one accident, \$50,000 for plans issued or renewed on or after January 1, 2023 but prior to January 1, 2026 and \$70,000 for plans issued or renewed on or after January 1, 2026; and (c) for damage to property in any one accident, \$25,000 for plans issued or renewed on or after January 1, 2023;

(2) require an insurer, upon the renewal of a policy of insurance that under its original policy limits would not meet the minimum bodily injury liability coverage requirements established under the bill, to notify the named insured of the increase in policy limits to meet the requirements of the bill;

(3) stipulate that an insurer increasing policy limits to comply with the provisions of the bill is not required to receive a signed coverage selection form as is otherwise required.

# Governor Murphy Takes Action on Legislation

08/5/2022

**TRENTON** – Today, Governor Phil Murphy signed the following bills into law:

**S-481/A-4291 (Scutari, Bramnick/Greenwald, Conaway, Stanley)** - Requires automobile insurance policies to provide certain minimum amounts of liability, uninsured motorist, and underinsured motorist coverage

**S-521/A-3661 (Cruz-Perez, Pou/Spearman)** - Expressly authorizes medical cannabis patients under 18 years of age to have up to four designated caregivers

**S-525/A-280 (Ruiz, Singleton/Umba, Sawyer, Wirths)** - Enhances, and allocates funds for, pre-apprenticeship programs

**S-1368/A-2687 (Scutari/Mukherji)** - Requires business owners and rental unit owners to maintain certain liability insurance policies

**S-1535/A-2-861 (Greenstein, Turner/Benson, Verrelli, Reynolds-Jackson, Thomson)** - Permits counties to operate airports as county utilities; provides that bonds for county and municipal airport purposes be issued in accordance with provisions of "Local Bond Law."

**S-1603/A-3771 (Smith/Mukherji)** - Removes restriction on receipt of retirement annuities by certain members of JRS who file for deferred retirement

**S-2843/A-4293 (Scutari, Bramnick/Mukherji, Quijano, Wimberly)** - Requires certain insurers to disclose policy limits upon request by an attorney under certain circumstances

**A-4239/S-2424 (Lopez, Atkins, Moen/Gopal)** - Concerns imposition and collection of sales and use tax for fabrication and installation of signs