

17:36-5.20a

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 1999 **CHAPTER:** 290
NJSA: 17:36-5.20a (Homeowners insurance – prohibits certain cancellations)
BILL NO: S950 (Substituted for A1908)

SPONSOR(S): Bucco and others

DATE INTRODUCED: March 23, 1998

COMMITTEE: **ASSEMBLY:** ---

SENATE: Commerce

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** November 15, 1999

SENATE: December 10, 1998

DATE OF APPROVAL: December 23, 1999

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL: Senate Committee Substitute for S950 and S1099
(Amendments during passage denoted by superscript numbers)

SCS for S950/S1099

SPONSORS STATEMENT: No

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: Yes

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: No

S950

SPONSORS STATEMENT: (Begins on page 2 of original bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: No

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: No

S1099

SPONSORS STATEMENT: (Begins on page 2 of original bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: No

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: No

ACS for A1908

SPONSORS STATEMENT: No

COMMITTEE STATEMENT: [ASSEMBLY:](#) [Yes](#)
Identical to Senate Statement for S950

SENATE: No

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: No

A1908

[SPONSORS STATEMENT:](#) (Begins on page 2 of original bill) [Yes](#)
Bill and Sponsors statement identical to S950

COMMITTEE STATEMENT: [ASSEMBLY:](#) No

SENATE: No

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

[GOVERNOR'S PRESS RELEASE ON SIGNING:](#) [Yes](#)

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

P.L. 1999, CHAPTER 290, *approved December 23, 1999*

Senate Committee Substitute for

Senate, Nos. 950 and 1099

1 **AN ACT** concerning homeowners insurance.

2

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

5

6 1. No insurer authorized to do business in this State shall cancel
7 or non-renew an insurance policy covering an owner occupied one-to-
8 four family dwelling solely because of claims or losses due to
9 weather-related damage or a third-party criminal act committed by
10 someone who is not a resident of the insured dwelling, unless the claim
11 or loss identifies or confirms an increase in hazard, a material change
12 in the risk assumed or a breach of contractual duties, conditions or
13 warranties that materially affect the nature or the insurability of the
14 risk. However, this section shall not be construed to prohibit an
15 insurer from offering to continue coverage on different terms and
16 conditions if the insured fails to reduce the risk of additional or future
17 claims or losses, either by effecting necessary repairs or taking other
18 remedial action.

19

20 2. This act shall take effect 90 days after enactment.

21

22

23

24

25 Prohibits cancellation and non-renewal of homeowners insurance
26 based on certain claims experience.

SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR
SENATE, Nos. 950 and 1099

STATE OF NEW JERSEY

DATED: OCTOBER 19, 1998

The Senate Commerce Committee reports favorably Senate Committee Substitute for Senate Bill Nos. 950 and 1099.

This bill, a Senate Committee Substitute for Senate Bill Nos. 950 and 1099, provides that no insurer authorized to do business in this State shall cancel or non-renew an insurance policy covering an owner occupied one-to-four family dwelling solely because of claims or losses due to weather-related damage or a third-party criminal act committed by someone who is not a resident of the insured dwelling, unless the claim or loss identifies or confirms an increase in hazard, a material change in the risk assumed or a breach of contractual duties, conditions or warranties that materially affect the nature or the insurability of the risk.

The bill also provides that an insurer is not prohibited from offering to continue coverage on different terms and conditions if the insured fails to reduce the risk of additional or future claims or losses, either by effecting necessary repairs or taking other remedial action.

This bill is identical to the Assembly Committee Substitute for Assembly Bill No.1908.

SENATE, No. 950

STATE OF NEW JERSEY 208th LEGISLATURE

INTRODUCED MARCH 23, 1998

Sponsored by:

Senator ANTHONY R. BUCCO

District 25 (Morris)

Senator GERALD CARDINALE

District 39 (Bergen)

SYNOPSIS

Prohibits declination, cancellation and non-renewal of homeowners insurance based on single claim within one-year.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning homeowners insurance.

2

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

5

6 1. No insurer authorized to do business in this State shall utilize
7 underwriting guidelines which decline, cancel or non-renew a
8 homeowners insurance policy because of a single claim or loss within
9 a one-year period.

10

11 2. This act shall take effect within 90 days after enactment.

12

13

14

STATEMENT

15

16 This bill prohibits the declination, cancellation and non-renewal of
17 homeowners insurance based on a single claim or loss during a one-
18 year period. Currently, insurers may utilize underwriting guidelines
19 premised on adverse loss experience in determining whether to write
20 or renew a homeowners insurance policy. Insurers have canceled or
21 non-renewed homeowners insurance policies based upon a single claim
22 during the policy year. This bill would prohibit this practice.

SENATE, No. 1099

STATE OF NEW JERSEY
208th LEGISLATURE

INTRODUCED MAY 21, 1998

Sponsored by:

Senator RAYMOND J. LESNIAK

District 20 (Union)

SYNOPSIS

Prohibits declination, cancellation and non-renewal of homeowners insurance based on certain claims experience.

CURRENT VERSION OF TEXT

As introduced.



S1099 LESNIAK

2

1 **AN ACT** concerning homeowners insurance.

2

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

5

6 1. No insurer authorized to do business in this State shall utilize
7 underwriting guidelines which decline, cancel or non-renew a
8 homeowners insurance policy because of one or more claims or losses
9 due to weather-related damage or a third-party criminal act.

10

11 2. This act shall take effect within 90 days after enactment.

12

13

14

STATEMENT

15

16 This bill provides that no insurer authorized to do business in this
17 State shall utilize underwriting guidelines which decline, cancel or
18 non-renew a homeowners insurance policy because of one or more
19 claims or losses due to weather-related damage or a third-party
20 criminal act. Currently, insurers may utilize underwriting guidelines
21 premised on adverse loss experience in determining whether to write
22 or renew a homeowners insurance policy. Insurers have canceled or
23 non-renewed homeowners insurance policies based upon claims related
24 to weather damage or third party criminal acts, all of which are no
25 fault of the homeowner, and not within the homeowner's control. This
26 bill would prohibit such practices.

ASSEMBLY BANKING AND INSURANCE COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR **ASSEMBLY, No. 1908**

STATE OF NEW JERSEY

DATED: SEPTEMBER 14, 1998

The Assembly Banking and Insurance Committee reports favorably and with committee amendments Assembly Bill No. 1908.

This bill, a committee substitute for Assembly Bill No. 1908, provides that no insurer authorized to do business in this State shall cancel or non-renew an insurance policy covering an owner occupied one-to-four family dwelling solely because of claims or losses due to weather-related damage or a third-party criminal act committed by someone who is not a resident of the insured dwelling, unless the claim or loss identifies or confirms an increase in hazard, a material change in the risk assumed or a breach of contractual duties, conditions or warranties that materially affect the nature or the insurability of the risk.

This committee substitute also provides that an insurer is not prohibited from offering to continue coverage on different terms and conditions if the insured fails to reduce the risk of additional or future claims or losses, either by effecting necessary repairs or taking other remedial action.

ASSEMBLY, No. 1908

STATE OF NEW JERSEY

208th LEGISLATURE

INTRODUCED MARCH 30, 1998

Sponsored by:

Assemblyman NEIL M. COHEN

District 20 (Union)

Assemblyman JOSEPH SULIGA

District 20 (Union)

SYNOPSIS

Prohibits declination, cancellation and non-renewal of homeowners insurance based on certain claims experience.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning homeowners insurance.

2

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

5

6 1. No insurer authorized to do business in this State shall utilize
7 underwriting guidelines which decline, cancel or non-renew a
8 homeowners insurance policy because of one or more claims or losses
9 due to weather-related damage or a third-party criminal act.

10

11 2. This act shall take effect within 90 days after enactment.

12

13

14

STATEMENT

15

16 This bill provides that no insurer authorized to do business in this
17 State shall utilize underwriting guidelines which decline, cancel or
18 non-renew a homeowners insurance policy because of one or more
19 claims or losses due to weather-related damage or a third-party
20 criminal act. Currently, insurers may utilize underwriting guidelines
21 premised on adverse loss experience in determining whether to write
22 or renew a homeowners insurance policy. Insurers have canceled or
23 non-renewed homeowners insurance policies based upon claims related
24 to weather damage or third party criminal acts, all of which are no
25 fault of the homeowner, and not within the homeowner's control. This
26 bill would prohibit such practices.

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Office of the Governor
NEWS RELEASE

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RELEASE: December 23, 1999

**Governor Signs Bill to Protect Homeowners,
Bill Connected to Death Penalty, among other Legislation**

Governor Christie Whitman today signed legislation prohibiting the cancellation and non-renewal of homeowners' insurance because of claims or losses resulting from weather-related damage or a third party criminal act. The Governor also signed legislation allowing family members of the murder victim to attend the condemned person's execution.

Protection for Homeowners

"This piece of legislation is important in that it protects homeowners from factors that are outside of their control and no fault of their own," said Gov. Whitman. "When people have weather-related damage at home because of a severe storm, for instance, they should be able to count on the fact that an insurer does not have the right to cancel or not renew their policy."

This bill also includes claims or losses that result from a third party criminal act committed by a non-resident of the insured dwelling, and like weather-related damage, it is beyond the homeowner's control. It applies only to owner-occupied, one to four family dwellings.

Yet the bill outlines that insurers are able to offer coverage on different terms and conditions if the insured has failed to reduce the risk of future claims, such as not making repairs if they were needed.

Under previous law, insurers were able to use their own underwriting guidelines; they could cancel or not renew a homeowner's insurance policy based upon a weather-related or criminal act claim during the policy year.

The legislation, **SCS for S-950 and S-1099**, was sponsored by Senators Anthony R. Bucco (R-Morris), Dr. Gerald Cardinale (R-Bergen) and Raymond J. Lesniak (D-Union) and Assembly Members Neil M. Cohen (D-Union) and Joseph Suliga (D-Union).

Recommendation to Death Penalty

"I feel it's only right that family members of a murder victim be allowed to attend the condemned person's execution - if that is something they choose to do," said Gov. Whitman. "While this bill doesn't ease the pain and suffering of a murder victim's family, these people are hurting enough - and we should grant them this wish, especially after all they have been through."

Including a recommendation from the Report by the Governor's Study Commission on the Implementation of the Death Penalty, the bill amends the law concerning executions to allow members of the murder victim's family, as well as the condemned person's family, to attend the execution.

Specifically, it permits two adult members of the condemned person's immediate family to be present at the condemned person's request. The bill also allows four adult members of the victim's family to be present, but prohibits disclosure of their names. And it reduces the number of physicians who must be present from two to one and reduces the number of members of the press from eight to four.

Under the previous law, both the families of the accused and the victim were prevented from attending the execution. Another provision that allows six citizen witnesses from attending still remains in the legislation.

The legislation, **A-2439**, was sponsored by Assembly Members Guy F. Talarico (R-Bergen) and Rose M. Heck (R-Bergen) and Senators Norman M. Robertson (R-Essex/Passaic) and Robert W. Singer (R-Burlington/Monmouth/Ocean).

In addition, Gov. Whitman today signed these pieces of legislation:

A-2099, sponsored by Assemblyman E. Scott Garrett (R-Sussex/Hunterdon/Morris), clarifies the rights of campground facilities. The bill grants the owner of a private campground facility a lien upon the personal property (located at the facility) of a campground occupant for rent, labor or other reasonable charges due under the rental agreement. Personal property is defined as any property not affixed to the land, such as recreational vehicles, trailers, boats, tents and their contents. Also, in order to provide the campground owners with a more effective means to deal with rowdy or abusive campers, the bill says that an owner may have an occupant removed if the occupant is in violation of the terms of a rental agreement.

A-194, sponsored by Assembly Members George F. Geist (R-Camden/Gloucester) and Gerald J. Luongo (R-Camden/ Gloucester) and Senators John J. Matheussen (R-Camden/Gloucester) and Andrew R. Ciesla (R-Monmouth/Ocean), imposes an additional penalty in certain drug-related cases and provides for deposit of such penalties in the Drug Abuse Education Fund. The bill imposes a penalty of \$50 on persons who are admitted to supervisory treatment pursuant to the Pre-Trial Intervention Program or who receive a conditional discharge for drug-related offenses.

A-2269, sponsored by Assemblyman Bagger (R-Middlesex /Morris/ Somerset/Union) makes changes to the law concerning certification of municipal tax collectors.