

17:33 B-14.1

**LEGISLATIVE HISTORY CHECKLIST**  
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(MV surcharges)

NJSA: 17:33B-14.1

LAWS OF: 1995 CHAPTER: 386

BILL NO: S517

SPONSOR(S): Cafiero

DATE INTRODUCED: February 10, 1994

COMMITTEE: ASSEMBLY: Insurance

SENATE: Commerce

AMENDED DURING PASSAGE: Yes Amendments during passage  
First reprint enacted denoted by superscript numbers

DATE OF PASSAGE: ASSEMBLY: January 4, 1996

SENATE: May 11, 1995

DATE OF APPROVAL: January 10, 1996

**FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:**

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes

SENATE: Yes

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

**FOLLOWING WERE PRINTED:**

REPORTS: No

HEARINGS: No

KBP:pp

P.L.1995, CHAPTER 386, *approved January 10, 1996*  
1994 Senate No. 517 (*First Reprint*)

**AN ACT** concerning surcharges for certain motor vehicle violations and supplementing P.L.1990, c.8 (C.17:33B-1 et seq.).

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

1. a. In calculating a surcharge or other differential in rates based on motor vehicle penalty points promulgated by the Director of the Division of Motor Vehicles pursuant to section 1 of P.L.1982, c.43 (C.39:5-30.5), including any surcharge or differential based on the schedule of <sup>1</sup>automobile insurance<sup>1</sup> eligibility points promulgated by the Commissioner of Insurance pursuant to section 26 of P.L.1990, c.8 (C.17:33B-14), an insurer shall not consider any points assessed for a violation of any lawful speed limitation where the violator exceeded the speed limitation by less than 15 miles per hour, except that, the insurer may consider any such violations, in excess of one violation, of which the insured has been convicted in the three-year period immediately preceding the issuance or renewal of the policy. This section shall only apply to violations that occur on or after the effective date of this act, but shall in no case apply to a violation of subsection a. of R.S.39:4-98.

b As used in this section, "insurer" means and includes an insurer writing private passenger automobile insurance in the voluntary market <sup>1</sup>[, the Market Transition Facility created pursuant to section 88 of P.L.1990, c.8 (C.17:33B-11),]<sup>1</sup> and any insurance plan established to provide private passenger automobile insurance pursuant to section 1 of P.L.1970, c.215 (C.17:29D-1).

2. This act shall take effect immediately.

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Prohibits insurers from surcharging or increasing rates for minor speeding violations.

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 SCM committee amendments adopted January 12, 1995.

## SPONSOR'S STATEMENT

### STATEMENT

This bill prohibits an insurer from surcharging or increasing an insured's automobile insurance rate for the occurrence of one minor speeding violation within a three-year period. Insurers may impose surcharges for subsequent violations that occur within that period, however. As defined in the bill, a minor speeding violation means exceeding the speed limit by less than 15 miles per hour.

The provisions of the bill would only apply to violations that occur on or after the effective date of the act and would not apply if the violation occurred in a school zone during recess, when the presence of children is clearly visible from the roadway, or while children are going to or leaving school during opening or closing hours.

The bill defines "insurer" as an insurer writing private passenger automobile insurance in the voluntary market, the Market Transition Facility, and the "assigned risk plan," so that it applies to insured persons in both the voluntary and residual markets.

ASSEMBLY INSURANCE COMMITTEE

STATEMENT TO

[FIRST REPRINT]

SENATE, No. 517

STATE OF NEW JERSEY

DATED: NOVEMBER 20, 1995

The Assembly Insurance Committee reports favorably Senate, No. 517(1R).

This bill prohibits an insurer from surcharging or increasing an insured's automobile insurance rate for the occurrence of one minor speeding violation within a three-year period immediately preceding the issuance or renewal of the policy. Insurers may impose surcharges for a minor speeding violation if the insured has prior speeding violations that occur within a three-year period prior to the minor speeding violation, however. As defined in the bill, a minor speeding violation means exceeding the speed limit by less than 15 miles per hour.

The provisions of the bill would only apply to speeding violations that occur on or after the effective date of the bill and would not apply if the violation occurred in a school zone during recess, when the presence of children is clearly visible from the roadway, or while children are going to or leaving school during opening or closing hours.

The bill defines "insurer" as an insurer writing private passenger automobile insurance in the voluntary market and the "assigned risk plan," so that it applies to insured persons in both the voluntary and residual markets.

ASSEMBLY INSURANCE COMMITTEE

STATEMENT TO

[FIRST REPRINT]

SENATE, No. 517

STATE OF NEW JERSEY

DATED: NOVEMBER 20, 1995

The Assembly Insurance Committee reports favorably Senate, No. 517(1R).

This bill prohibits an insurer from surcharging or increasing an insured's automobile insurance rate for the occurrence of one minor speeding violation within a three-year period immediately preceding the issuance or renewal of the policy. Insurers may impose surcharges for a minor speeding violation if the insured has prior speeding violations that occur within a three-year period prior to the minor speeding violation, however. As defined in the bill, a minor speeding violation means exceeding the speed limit by less than 15 miles per hour.

The provisions of the bill would only apply to speeding violations that occur on or after the effective date of the bill and would not apply if the violation occurred in a school zone during recess, when the presence of children is clearly visible from the roadway, or while children are going to or leaving school during opening or closing hours.

The bill defines "insurer" as an insurer writing private passenger automobile insurance in the voluntary market and the "assigned risk plan," so that it applies to insured persons in both the voluntary and residual markets.

SENATE COMMERCE COMMITTEE

STATEMENT TO

**SENATE, No. 517**

with committee amendments

**STATE OF NEW JERSEY**

DATED: JANUARY 12, 1995

The Senate Commerce Committee reports favorably and with committee amendments Senate Bill No. 517.

This bill, as amended by the committee, prohibits an insurer from surcharging or increasing an insured's automobile insurance rate for the occurrence of one minor speeding violation within a three-year period immediately preceding the issuance or renewal of the policy. Insurers may impose surcharges for subsequent violations that occur within that period, however. As defined in the bill, a minor speeding violation means exceeding the speed limit by less than 15 miles per hour.

The provisions of the bill would only apply to violations that occur on or after the effective date of the bill and would not apply if the violation occurred in a school zone during recess, when the presence of children is clearly visible from the roadway, or while children are going to or leaving school during opening or closing hours.

The bill defines "insurer" as an insurer writing private passenger automobile insurance in the voluntary market and the "assigned risk plan," so that it applies to insured persons in both the voluntary and residual markets. The committee amended the bill to remove the Market Transition Facility from the definition of insurer because it is no longer in existence.