

17:30A-5

LEGISLATIVE HISTORY CHECKLIST

NJSA 17:30A-5

Laws of 1974 Chapter 107

Bill No. S 1354

Sponsor(s) Dunn

Date Introduced September 9

Committee: Assembly --

Senate --

Amended during passage ~~XXX~~ No

Date of passage: Assembly September 19

Senate September 9

Date of approval September 20

Following statements are attached if available:

Sponsor statement Yes ~~XX~~

Committee Statement: Assembly ~~XXX~~ No

Senate ~~XXX~~ No

Fiscal Note ~~XXX~~ No

Veto message ~~XXX~~ No

Message on signing ~~XXX~~ No

Following were printed:

Reports ~~XX~~ No

Hearings ~~XXX~~ No

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SENATE, No. 1354

STATE OF NEW JERSEY

INTRODUCED SEPTEMBER 9, 1974

By Senator DUNN

(Without Reference)

AN ACT to amend the "New Jersey Property-Liability Insurance Guaranty Association Act," approved April 11, 1974 (P. L. 1974, c. 17).

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

1 1. Section 5 of P. L. 1974, c. 17 (C. 17:30A-5) is amended to read  
2 as follows:

3 5. As used in this act:

4 a. "Account" means any one of the two accounts created by  
5 section 6;

6 b. "Association" means the New Jersey Property-Liability In-  
7 surance Guaranty Association created under section 6;

8 c. "Commissioner" means the Commissioner of Insurance of  
9 this State;

10 d. "Covered claim" means an unpaid claim, including one of  
11 unearned premiums, which arises out of and is within the coverage,  
12 and not in excess of the applicable limits of an insurance policy to  
13 which this act applies, issued by an insurer, if such insurer becomes  
14 an insolvent insurer after January 1, 1974, and (1) the claimant  
15 or insured is a resident of this State at the time of the insured  
16 event; or (2) the property from which the claim arises is perma-  
17 nently located in this State. "Covered claim" shall not include  
18 any amount due any reinsurer, insurer, insurance pool, or under-  
19 writing association, *except for any Special Joint Underwriting*  
20 *Association within the meaning of the Joint Underwriting Associa-*  
21 *tion Act, P. L. . . . , c. . . . as subrogation recoveries or otherwise;*

22 e. "Insolvent insurer" means (1) an insurer admitted or autho-  
23 rized to transact the business of insurance in this State either at the  
24 time the policy was issued or when the insured event occurred, and  
25 (2) who is determined to be insolvent by a court of competent  
26 jurisdiction;

27 f. "Member insurer" means any person who (1) writes any kind  
28 of insurance to which this act applies under section 2 b. including  
29 the exchange of reciprocal or interinsurance contracts and (2) is  
30 admitted or authorized to transact the business of insurance in this  
31 State;

32 g. "Net direct written premiums" means direct gross premiums  
33 written in this State on insurance policies to which this act applies,  
34 less return premiums thereon and dividends paid or credited to  
35 policyholders on such direct business. "Net direct written pre-  
36 miums" does not include premiums on contracts between insurers  
37 or reinsurers, and does not include premiums on policies issued by  
38 an insurer as a member of the New Jersey Insurance Underwriting  
39 Association pursuant to P. L. 1968, c. 129 (C. 17:37A-1 et seq.).

1 2. This act shall take effect immediately.

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#### STATEMENT

This bill provides that special joint underwriting associations created pursuant to the Joint Underwriting Association Act, P. L. . . . ., c. . . . ., would have the authority to recover from the New Jersey Property Liability Insurance Guaranty Association claims owed to those individuals whose policies have been assumed because of the insolvency of an insurance company.