

17:10-14.1a

LEGISLATIVE HISTORY CHECKLIST

NJSA: 17:10-14.1a

(Consumer products--loans-
insurance-continuation)

LAWS OF: 1985

CHAPTER: 78

Bill No: S2677

Sponsor(s): Russo and others

Date Introduced: January 31, 1985

Committee: Assembly: ///

Senate: ///

Amended during passage: No

Date of Passage: Assembly: Feb. 4, 1984

Senate: Jan. 31, 1985

Date of Approval: March 14, 1985

Following statements are attached if available:

Sponsor statement: Yes

Committee statement: Assembly No

Senate No

Fiscal Note: No

Veto Message: No

Message on Signing: Yes

Following were printed:

Reports: No

Hearings: No

1984 Federal Trade Commission ruling, mentioned in sponsors' statement,
refers to FTC rule 16 CFR Part 444.

SENATE, No. 2677

STATE OF NEW JERSEY

INTRODUCED JANUARY 31, 1985

By Senator RUSSO, DiFRANCESCO, JACKMAN and ORECHIO

(Without Reference)

AN Act concerning property insurance and amending P. L. 1983,
c. 348.

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

1 1. Section 1 of P. L. 1983, c. 348 (C. 17:10-14.1a) is amended to
2 read as follows:

3 1. A licensee under chapter 10 of Title 17 of the Revised Statutes
4 may make available insurance covering direct or indirect damage
5 or loss, by fire or other perils, including those of extended coverage,
6 to the property of the borrower *all or part of which is [the]*
7 *security for the loan[, which].* *The insurance shall be for an*
8 *amount and term not to exceed the amount and term of the loan.*

9 The licensee shall provide the borrower with the following
10 written statement, to be printed in at least 10-point bold type:

NOTICE TO THE BORROWER

YOU ARE NOT REQUIRED TO PURCHASE PROPERTY
INSURANCE AS A CONDITION OF RECEIVING THE LOAN.

IF YOU DESIRE PROPERTY INSURANCE YOU MAY
SECURE INSURANCE FROM A COMPANY OR AGENT OF
YOUR OWN CHOOSING.

1 2. This act shall take effect immediately.

STATEMENT

This bill allows insurance coverage to continue to be offered and
sold on household goods, including goods not securing the loan, up
to an amount not to exceed the amount and term of the loan. The
provisions of this bill are necessitated by a 1984 Federal Trade
Commission ruling that held that certain household goods cannot
be used to secure certain consumer loans.

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 printed in italics *thus* is new matter.

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Bill Signing - A-2353, S-2371, S-2677, S-1835, A-1032, A-1825, A-2295 & A-824
Friday, March 15, 1985
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The Distinguished Scholars Program is designed to encourage the State's best students to attend New Jersey colleges by awarding annual scholarships of \$1,000 for up to five years to students qualifying on academic merit who attend institutions of higher learning in the State.

The Governor also signed the following bills:

S-2677, also sponsored by Senator John F. Russo, which amends the Small Loan Business Act to allow a small loan lender to sell casualty insurance on the property of the borrower which is all or part of the security for the loan the borrower is receiving.

S-1835, sponsored by State Senator S. Louis Bassano, R-Union, which establishes the Alcohol Beverage Control Enforcement Bureau in the Division of State Police. The bill was originally the subject of a conditional veto because of an Assembly floor amendment which conformed the bill to another bill dealing with firearm carrying privileges for firemen investigating arson. The Governor objected to separate pieces of legislation being made to conform by amendment before he has decided what action to take on the bill.

A-1032, sponsored by Assemblyman John T. Hendrickson, Jr., R-Ocean, which permits the governing body of a county or municipality to appropriate funds to a public or private non-profit hospital which serves the county or municipality. The bill was originally conditionally vetoed to limit such contributions to hospitals.

A-1825, sponsored by Assemblyman Wayne Bryant, D-Camden, which prohibits a surety from discriminating against a minority or women's business in the provision of surety coverage. Surety bonds are commonly required for companies to bid on public contracts.

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