

[First Reprint]
SENATE, No. 2144
STATE OF NEW JERSEY
218th LEGISLATURE
INTRODUCED MARCH 5, 2018

Sponsored by:**Senator NICHOLAS P. SCUTARI****District 22 (Middlesex, Somerset and Union)****Senator VIN GOPAL****District 11 (Monmouth)****SYNOPSIS**

"New Jersey Insurance Fair Conduct Act."

CURRENT VERSION OF TEXT

As amended by the Senate on April 12, 2018.

AN ACT concerning certain unreasonable practices in the business of insurance and supplementing Title 17 of the Revised Statutes.

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

1. This act shall be known and may be cited as the "New Jersey Insurance Fair Conduct Act."

2. As used in this act:

"First-party claimant" or "claimant" means an individual, corporation, association, partnership or other legal entity asserting an entitlement to benefits owed directly to or on behalf of an insured under an insurance policy.

"Insurer" means any individual, corporation, association, partnership or other legal entity which issues, executes, renews or delivers an insurance policy in this State, or which is responsible for determining claims made under the policy. ¹"Insurer" shall not include an insurance producer as defined in section 3 of P.L.2001, c.210 (C.17:22A-28) or a public entity.

"Public entity" means the State, any county, municipality, district, public authority, public agency and any other political subdivision or public body in the State, including a joint insurance fund of a public

entity.¹

3. a. In addition to the enforcement authority provided to the Commissioner of Banking and Insurance pursuant to the provisions of P.L.1947, c.379 (C.17:29B-1 et seq.) or any other law, a claimant may, regardless of any action by the commissioner, file a civil action in a court of competent jurisdiction against its insurer for:

(1) an unreasonable delay or unreasonable denial of a claim for payment of benefits under an insurance policy; or

(2) any violation of the provisions of section 4 of P.L.1947, c.379 (C.17:29B-4).

b. In any action filed pursuant to this act, the claimant shall not be required to prove that the insurer's actions were of such a frequency as to indicate a general business practice.

c. Upon establishing that a violation of the provisions of this act has occurred, the plaintiff shall be entitled to:

(1) actual damages caused by the violation of this act;

(2) prejudgment interest, reasonable attorney's fees, and all reasonable litigation expenses; and

(3) treble damages.

4. This act shall take effect immediately.