

N.J.S.A. 39:6A-3.2 Issuance, renewal of automobile insurance policies, required coverage

5. a. All automobile insurance policies issued or renewed on or after the effective date of P.L.1998, c.21 (C.39:6A-1.1 et al.) shall be issued or renewed including at least the coverages required pursuant to sections 3 and 4 of P.L.1972, c.70 (C.39:6A-3 and 39:6A-4), unless the named insured elects a basic automobile insurance policy pursuant to section 4 of P.L.1998, c.21 (C.39:6A-3.1) or, after the effective date of P.L.2003, c.89 (C.17:30A-2.1 et al.), a special automobile insurance policy pursuant to section 45 of P.L.2003, c.89 (C.39:6A-3.3). Election of a basic automobile insurance policy or a special automobile insurance policy shall be in writing and signed by the named insured on the coverage selection form required by section 17 of P.L.1983, c.362 (C.39:6A-23). The coverage selection form shall contain a statement, clearly readable and in 12-point bold type, in a form approved by the commissioner, that: (1) election of a basic automobile insurance policy will result in less coverage than the \$250,000 medical expense benefits coverage mandated prior to the effective date of P.L.1998, c.21 (C.39:6A-1.1 et al.); or (2) election of a special automobile insurance policy will result in coverage only for emergency care. Furthermore, the coverage election form shall contain a statement, clearly readable and in 12-point bold type, in a form approved by the commissioner, that election of a special automobile insurance policy, or a basic automobile insurance policy without the optional \$10,000 liability coverage provided for in section 4 of P.L.1998, c.21 (C.39:6A-3.1) may subject the named insured to a claim or judgment for noneconomic loss which is not covered by the basic or special automobile insurance policy, and which may place his assets at risk, and in the event the named insured is sued, the insurer shall not provide legal counsel.

b. The insurance coverages provided for in section 4 of P.L.1998, c.21 (C.39:6A-3.1) shall be offered by every insurer which writes insurance coverages pursuant to sections 3 and 4 of P.L.1972, c.70 (C.39:6A-3 and 39:6A-4) for a period of five years after the effective date of P.L.1998, c.21 (C.39:6A-1.1 et al.). The commissioner shall require every company writing such insurance coverage to report to him annually during that five-year period as to the number of policies written pursuant to this subsection in the previous year, the number of policies with the coverage offered pursuant to section 4 of P.L.1972, c.70 (C.39:6A-4) which have been converted to policies with the coverage offered pursuant to section 4 of P.L.1998, c.21 (C.39:6A-3.1) and any other information the commissioner may require such as, but not limited to, the age of the policyholders and the territories in which the policyholders reside. The commissioner shall then report to the Governor and the Legislature regarding the acceptance of the basic automobile insurance policy by the automobile insurance consumers of this State annually for the first four years the basic policy is sold. On or before January 1, 2003, the commissioner shall make a final, cumulative report which shall include recommendations as to the continuation of the basic policy to the Governor and the Legislature.

c. The insurance coverages provided for in section 45 of P.L.2003, c.89 (C.39:6A-3.3) shall be offered or provided pursuant to subsection f. of that section for a period of five years after the effective date of P.L.2003, c.89 (C.17:30A-2.1 et al.). On or before January 1, 2008, the commissioner shall make a final report which shall include recommendations as to the continuation of the special policy to the Governor and the Legislature.

L.1998,c.21,s.5; amended 2003, c.89, s.46.