

[Second Reprint]

SENATE, No. 2841

STATE OF NEW JERSEY

220th LEGISLATURE

INTRODUCED JUNE 9, 2022

Sponsored by:

Senator NICHOLAS P. SCUTARI

District 22 (Middlesex, Somerset and Union)

Senator JON M. BRAMNICK

District 21 (Morris, Somerset and Union)

Assemblywoman LINDA S. CARTER

District 22 (Middlesex, Somerset and Union)

SYNOPSIS

Raises minimum amount of liability coverage for commercial motor vehicles and autocabs.

CURRENT VERSION OF TEXT

As amended by the General Assembly on January 8, 2024.



(Sponsorship Updated As Of: 1/8/2024)

1 AN ACT concerning commercial motor vehicle coverage and
2 amending P.L.1972, c.197 ¹and R.S.48:16-3¹.

3

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

6

7 ¹**[**1. Section 1 of P.L.1972, c.197 (C.39:6B-1) is amended to read
8 as follows:

9 1. a. Every owner or registered owner of a motor vehicle
10 registered or principally garaged in this State shall maintain motor
11 vehicle liability insurance coverage, under provisions approved by
12 the Commissioner of Banking and Insurance, insuring against loss
13 resulting from liability imposed by law for bodily injury, death and
14 property damage sustained by any person arising out of the
15 ownership, maintenance, operation or use of a motor vehicle
16 wherein such coverage shall be at least in: (1) an amount or limit of
17 \$15,000.00, exclusive of interest and costs, on account of injury to,
18 or death of, one person, in any one accident; and (2) an amount or
19 limit, subject to such limit for any one person so injured or killed,
20 of \$30,000.00, exclusive of interest and costs, on account of injury
21 to or death of, more than one person, in any one accident; and (3) an
22 amount or limit of \$5,000.00, exclusive of interest and costs, for
23 damage to property in any one accident; and (4) for a commercial
24 motor vehicle, an amount or limit of \$1,500,000, exclusive of
25 interest and costs, on account of injury to or death of, one or more
26 persons in any one accident or for damage to property in any one
27 accident.

28 b. Notwithstanding the provisions of subsection a. of this
29 section, an owner or registered owner of an automobile, as defined
30 in section 2 of P.L.1972, c.70 (C.39:6A-2), registered or primarily
31 garaged in the State may satisfy the requirements of subsection a. of
32 this section by maintaining a basic automobile insurance policy
33 containing coverages provided pursuant to subsections a. and b. of
34 section 4 of P.L.1998, c.21 (C.39:6A-3.1).

35 c. Notwithstanding the provisions of subsection a. of this
36 section, an owner or registered owner of an automobile, as defined
37 in section 2 of P.L.1972, c.70 (C.39:6A-2), registered or primarily
38 garaged in the State may satisfy the requirements of subsection a. of
39 this section by maintaining a special automobile insurance policy
40 containing coverages provided pursuant to subsection b. of section
41 45 of P.L.2003, c.89 (C.39:6A-3.3).

42 d. As used in this section, “commercial motor vehicle” means a
43 commercial motor vehicle as defined pursuant to section 3 of
44 P.L.1990, c.103 (C.39:3-10.11).

45 (cf: P.L.2003, c.89, s.60) ¹**]**

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:

¹Senate floor amendments adopted December 21, 2023.

²Assembly floor amendments adopted January 8, 2024.

1 ¹1. Section 1 of P.L.1972, c.197 (C.39:6B-1) is amended to read as
2 follows:

3 1. a. Every owner or registered owner of a motor vehicle registered
4 or principally garaged in this State shall maintain motor vehicle
5 liability insurance coverage, under provisions approved by the
6 Commissioner of Banking and Insurance, insuring against loss
7 resulting from liability imposed by law for bodily injury, death and
8 property damage sustained by any person arising out of the ownership,
9 maintenance, operation or use of a motor vehicle wherein such
10 coverage shall be at least in: (1) an amount or limit of \$15,000 for
11 plans issued or renewed prior to January 1, 2023, \$25,000 for plans
12 issued or renewed on or after January 1, 2023 but prior to January 1,
13 2026, and \$35,000 for plans issued or renewed on or after January 1,
14 2026, exclusive of interest and costs, on account of injury to, or death
15 of, one person, in any one accident; and (2) an amount or limit, subject
16 to such limit for any one person so injured or killed, of \$30,000 for
17 plans issued or renewed prior to January 1, 2023, \$50,000 for plans
18 issued or renewed on or after January 1, 2023 but prior to January 1,
19 2026, and \$70,000 for plans issued or renewed on or after January 1,
20 2026, exclusive of interest and costs, on account of injury to or death
21 of, more than one person, in any one accident; and (3) an amount or
22 limit of \$25,000 for plans issued or renewed on or after January 1,
23 2023, exclusive of interest and costs, for damage to property in any
24 one accident; and (4) for a commercial motor vehicle, an amount or
25 limit of \$1,500,000, exclusive of interest and costs, on account of
26 injury to or death of, one or more persons in any one accident or for
27 damage to property in any one accident; and (5) for a commercial
28 motor vehicle with a gross vehicle weight rating of 10,001 or more
29 pounds but less than 26,001 pounds, an amount or limit of
30 ²[\$500,000] \$300,000², exclusive of interest and costs, on account of
31 injury to or death of, one or more persons in any one accident or for
32 damage to property in any one accident. The provisions of paragraphs
33 (4) and (5) of this subsection may be satisfied by a commercial
34 automobile insurance policy, fleet insurance policy, commercial
35 umbrella insurance policy, commercial excess insurance policy,
36 similar insurance policy, or any combination thereof.

37 b. Notwithstanding the provisions of subsection a. of this section,
38 an owner or registered owner of an automobile, as defined in section 2
39 of P.L.1972, c.70 (C.39:6A-2), registered or primarily garaged in the
40 State may satisfy the requirements of subsection a. of this section by
41 maintaining a basic automobile insurance policy containing coverages
42 provided pursuant to subsections a. and b. of section 4 of P.L.1998,
43 c.21 (C.39:6A-3.1).

44 c. Notwithstanding the provisions of subsection a. of this section,
45 an owner or registered owner of an automobile, as defined in section 2
46 of P.L.1972, c.70 (C.39:6A-2), registered or primarily garaged in the
47 State may satisfy the requirements of subsection a. of this section by
48 maintaining a special automobile insurance policy containing

1 coverages provided pursuant to subsection b. of section 45 of
2 P.L.2003, c.89 (C.39:6A-3.3).

3 d. Upon the renewal of a policy of insurance that, under its
4 original policy limits, would no longer meet the minimum
5 requirements established pursuant to this section, an insurer shall
6 notify the named insured that the policy limits have been increased to
7 meet the requirements established pursuant to this section. Notice
8 provided pursuant to this subsection shall specify the limit or limits
9 that have been increased to meet the requirements established pursuant
10 to this section. Notwithstanding the provisions of any law, rule, or
11 regulation to the contrary, an insurer shall not be required to receive a
12 signed coverage selection form pursuant to N.J.A.C.11:3-15.7, to
13 increase a policy's limits pursuant to this section.

14 e. As used in this section, "commercial motor vehicle" means a
15 commercial motor vehicle as defined pursuant to section 3 of
16 P.L.1990, c.103 (C.39:3-10.11) and an autocab as defined pursuant to
17 R.S.48:16-1, and shall include commercially registered vehicles ²[or
18 vehicles operating commercially]². For purposes of paragraph (5) of
19 subsection a. of this section, "commercial motor vehicle" shall also
20 include commercially registered vehicles ²[or vehicles operating
21 commercially]² with a gross vehicle weight rating of 10,001 or more
22 pounds but less than 26,001 pounds.¹

23 (cf: P.L.2022, c.87, s.2)

24

25 ¹2. R.S.48:16-3 is amended to read as follows:

26 48:16-3. No such consent shall become effective until the
27 provisions of subsections a. and b. of this section have been
28 satisfied:

29 a. The owner of the autocab shall have filed with the clerk of
30 the municipality in which such operation is permitted, an insurance
31 policy which shall be issued by an admitted insurance company
32 duly licensed to transact business under the insurance laws of this
33 State or a company registered to do business in the State, the policy
34 providing for not less than **[\$35,000 of motor vehicle liability**
35 **insurance coverage or the amount of motor vehicle liability**
36 **insurance coverage required pursuant to section 1 of P.L.1972,**
37 **c.197 (C.39:6B-1), whichever is greater,] \$1.5 million** to satisfy all
38 claims for damages, by reason of bodily injury to, or the death of,
39 any person or persons, resulting from, or on account of, an accident,
40 by reason of the ownership, operation, maintenance, or use of such
41 autocab upon any public street; and to satisfy any claim for
42 damages to property of any person or persons, resulting from, or on
43 account of, an accident, by reason of the ownership, operation,
44 maintenance, or use of such autocab upon any public street.

45 Nothing contained in this subsection shall prohibit the owner of
46 an autocab from obtaining any additional amount of motor vehicle

1 liability insurance coverage from a company licensed outside the
2 State of New Jersey.

3 The consent shall be effective and operation thereunder shall be
4 permitted only so long as the insurance policy shall remain in force
5 to the full and collectible amounts as aforesaid.

6 The insurance policy shall provide for the payment of any final
7 judgment recovered by any person on account of the ownership,
8 maintenance, or use of the autocab or any fault in respect thereto,
9 and shall be for the benefit of every person suffering loss, damage
10 or injury as aforesaid; and

11 b. Each operator or driver of the autocab for which the owner
12 thereof is seeking the consent to operate in a municipality has
13 submitted to the performance of a criminal history record
14 background check. The cost for the criminal history record
15 background check, including all costs of administering and
16 processing the check, shall be borne by the operator or driver of the
17 autocab.

18 A person shall be disqualified from operating or driving an
19 autocab if a criminal history record background check required
20 pursuant to this subsection reveals a record of conviction of any of
21 the following crimes:

22 (1) In New Jersey or elsewhere any crime as follows:
23 aggravated assault, arson, burglary, escape, extortion, homicide,
24 kidnapping, robbery, aggravated sexual assault, sexual assault or
25 endangering the welfare of a child pursuant to N.J.S.2C:24-4,
26 whether or not armed with or having in his possession any weapon
27 enumerated in subsection r. of N.J.S.2C:39-1, a crime pursuant to
28 the provisions of N.J.S.2C:39-3, N.J.S.2C:39-4, or N.J.S.2C:39-9,
29 or other than a disorderly persons or petty disorderly persons
30 offense for the unlawful use, possession or sale of a controlled
31 dangerous substance as defined in N.J.S.2C:35-2.

32 (2) In any other state, territory, commonwealth, or other
33 jurisdiction of the United States, or any country in the world, as a
34 result of a conviction in a court of competent jurisdiction, a crime
35 which in that other jurisdiction or country is comparable to one of
36 the crimes enumerated in paragraph (1) of this subsection.

37 If a person who has been convicted of one of the crimes
38 enumerated in paragraphs (1) and (2) of this subsection can produce
39 a certificate of rehabilitation issued pursuant to N.J.S.2A:168A-8
40 or, if the criminal offense occurred outside New Jersey, an
41 equivalent certificate from the jurisdiction where the criminal
42 offense occurred, the criminal offense shall not disqualify the
43 applicant from operating or driving an autocab.

44 The provisions of this subsection shall not apply to an operator
45 or driver of an autocab who has received the consent to operate in a
46 municipality prior to the effective date of P.L.2011, c.135 (C.48:16-
47 2.1 et al.).¹

48 (cf: P.L.2011, c.135, s.5)

S2841 [2R] SCUTARI, BRAMNICK

6

1 ¹**[2.] 3.** This act shall take effect on the first day of the sixth
2 month next following the date of enactment and shall apply to all
3 automobile insurance policies initiated or renewed on or after that
4 date.