

SENATE, No. 1325

STATE OF NEW JERSEY
221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Senator NELLIE POU

District 35 (Bergen and Passaic)

SYNOPSIS

Authorizes electronic delivery of documents relating to portable electronics insurance.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT concerning electronic delivery of portable electronics
2 insurance documents and amending P.L.2012, c.56.

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

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7 1. Section 8 of P.L.2012, c.56 (C.17:22A-56) is amended to
8 read as follows:

9 8. Notwithstanding any other provision of law:

10 a. An insurer may terminate or otherwise change the terms and
11 conditions of a policy of portable electronics insurance only upon
12 providing the policyholder and enrolled consumers with at least 30
13 days' notice.

14 b. If the insurer changes the terms and conditions, then the
15 insurer shall provide the vendor policyholder with a revised policy
16 or endorsement and each enrolled consumer with a revised
17 certificate, endorsement, updated brochure, or other evidence
18 indicating a change in the terms and conditions has occurred and a
19 summary of material changes.

20 c. Notwithstanding subsection a. of this section, an insurer may
21 terminate an enrolled consumer's enrollment under a portable
22 electronics insurance policy upon 15 days' notice if the insurer
23 discovers fraud or material misrepresentation in obtaining coverage
24 or in the presentation of a claim thereunder.

25 d. Notwithstanding subsection a. of this section, an insurer may
26 immediately terminate an enrolled consumer's enrollment under a
27 portable electronics insurance policy:

28 (1) For nonpayment of premium;

29 (2) If the enrolled consumer ceases to have an active service
30 with the vendor for one or more portable electronics covered under
31 the policy, if applicable; or

32 (3) If an enrolled consumer exhausts the aggregate limit of
33 liability, if any, under the terms of the portable electronics
34 insurance policy and the insurer sends notice of termination to the
35 enrolled consumer within 30 calendar days after exhaustion of the
36 limit. However, if notice is not timely sent, enrollment shall
37 continue notwithstanding the aggregate limit of liability, until the
38 insurer sends notice of termination to the enrolled consumer.

39 e. If a policyholder terminates a portable electronics insurance
40 policy, the policyholder shall provide electronic mail notification or
41 shall mail or deliver written notice to each enrolled consumer
42 advising the enrolled consumer of the termination of the policy and
43 the effective date of termination. The written notice shall be sent by
44 electronic mail, mailed, or delivered to the enrolled consumer at
45 least 30 days prior to the termination.

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.

1 f. Whenever notice or correspondence with respect to a policy
2 of portable electronics insurance is required pursuant to this section
3 or is otherwise required by law, it shall be in writing and sent
4 within the notice period, if any, specified within the statute or
5 regulation requiring the notice or correspondence. The notice or
6 correspondence shall be sent to the vendor at the vendor's mailing
7 address or electronic mail address specified for that purpose and to
8 its affected enrolled consumers' last known mailing addresses or
9 electronic mail addresses on file with the insurer. The insurer or
10 vendor, as the case may be, shall maintain proof of mailing in a
11 form authorized or accepted by the United States Postal Service or
12 other commercial mail delivery service or, if sent to an electronic
13 mail address, a copy of the electronic mail message.

14 g. Notice or correspondence required pursuant to this section or
15 otherwise required by law may be sent on behalf of an insurer or
16 vendor, as the case may be, by the supervising entity appointed by
17 the insurer.

18 h. An insurer shall cease delivering by electronic mail any
19 notice or other document and shall deliver the notice or other
20 document by any other delivery method authorized by law if:

21 (1) the insurer attempts to deliver by electronic mail a notice or
22 other document and has a reasonable basis to believe that the notice
23 or other document was not received by the enrolled customer or
24 vendor, as applicable; or

25 (2) the insurer becomes aware that the electronic mail address
26 provided by the enrolled customer or vendor, as applicable, is no
27 longer valid.

28 (cf: P.L.2012, c.56, s.8)

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30 2. This act shall take effect on the 180 day next following the
31 date of enactment.

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STATEMENT

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36 This bill authorizes the delivery of notices and documents
37 relating to portable electronics insurance by electronic mail.
38 Pursuant to the bill, portable electronics insurers are required to
39 cease delivering by electronic mail any notice or other document
40 and deliver the notice or document by another delivery method if:

41 (1) the insurer attempts to deliver by electronic mail a notice or
42 other document and has a reasonable basis to believe that the notice
43 or other document was not received by the enrolled customer or
44 vendor, as applicable; or

45 (2) the insurer becomes aware that the electronic mail address
46 provided by the enrolled customer or vendor, as applicable, is no
47 longer valid.

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1 Under current law, “portable electronics insurance” means
2 insurance providing coverage for the repair or replacement of
3 portable electronics which may provide coverage for portable
4 electronics against any one or more of the following causes of loss:
5 loss; theft; inoperability due to mechanical failure; malfunction;
6 damage; or other similar causes of loss.