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New Jersey Governor Signs Legislation Requiring Disclosure of Insured's Policy Limits

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On July 22, 2021, New Jersey Governor Phil Murphy signed legislation (Session Bill S-1558/A-3444) requiring insurers who issue policies of private passenger automobile insurance in New Jersey to disclose an insured's policy limits to a licensed, practicing New Jersey attorney who makes a written demand for the same. A private passenger automobile includes any vehicle required to carry personal injury protection coverage. This legislation therefore does not apply to insureds operating commercial vehicles.

An attorney's request for the disclosure of an insured's policy limits must be in writing and include: (1) a statement that the attorney represents an individual who was injured as a result of a motor vehicle accident with an insured covered under a private passenger automobile insurance policy issued by the insurer; (2) the name and last known address of the insured; (3) the date and time of the accident; (4) a copy of the accident report, when available; and (5) a statement from the claimant or the claimant's attorney providing the claimant's insurance information, including the claimant's insurer, policy number, policyholder name, tort threshold selection, and personal injury protection coverage limit.

Upon receipt of an attorney's written demand, insurers are required to disclose the limits of all private passenger automobile insurance policies and any applicable umbrella or excess policies issued by the insurer to the insured. Insurers must comply with an attorney's written demand for the disclosure of an insured's policy limits within thirty days, even if formal litigation has not been filed. This disclosure shall be confidential and available only to the individual injured, the attorney representing the injured person, and personnel in the office of the attorney.

This legislation takes effect immediately for all new accidents. The Department of Banking and Insurance will publish on its website the email address of each insurer issuing private passenger automobile insurance policies in New Jersey. The insurers email addresses will be used for the purpose of receiving attorneys' requests for policy limit disclosures.