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C A S E A L E R T

M&W's Bill Bloom Testifies Before State Commerce Committee Regarding Proposed Auto Insurance Legislation

On June 20, 2022, [Bill Bloom](#) testified before the State Commerce Committee on behalf of the Insurance Council of New Jersey to address several proposed bills that are likely to adversely affect automobile insurers and their policyholders throughout the State.

S481 would raise the minimum liability limits to \$50,000/\$100,000 and also require the inclusion of underinsured motorists benefits with the same minimum limits.

S471 would require all auto insurance policies to provide \$250,000 in PIP coverage and S2254 would discontinue the policyholder option of rendering health insurance primary and PIP coverage secondary.

The thrust of the opposition to these bills, of course, is the fact that these changes would limit consumer choice and cause a significant increase in premiums, which is especially concerning given the present economic picture. The industry has articulated further concern that the

increased costs would lead to the unintended consequence of an increase in uninsured drivers, as more people would make a conscious decision simply to drive without insurance. In short, these proposed changes would constitute a significant step backwards in the great strides made over the past two decades in rendering auto insurance more affordable in New Jersey.

The comments made during the hearing suggest there will be further discussions regarding potential compromises on the amount of any increase in the subject limits. At the very least, we are cautiously optimistic that Bill's testimony and the industry input it buttressed will minimize the damage to auto insurers and their customers in a challenging economy, but we as an industry must remain vigilant in the face of efforts that purport to improve protections for New Jersey citizens but which will in all likelihood have the opposite effect.

Feel free to contact [Bill Bloom](#) or any of [our partners](#) with any questions.

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