

NJPLIGA Bulletin 2016 - 002

TO: Member Companies

FROM: Joseph DellaFera, Chief Executive Officer

SUBJECT: Notification of 2016 UCJF Assessment

DATE: May 12, 2016

During its May 10, 2016 Board meeting, the Board of Directors of the New Jersey Property-Liability Insurance Guaranty Association (“NJPLIGA”), as statutory administrator of the Unsatisfied Claim and Judgment Fund (“UCJF”), reviewed the funding needs of the UCJF to satisfy its responsibilities associated with uninsured motorist and stranger pedestrian personal injury protection (“PIP”) claims.

By Commissioner’s Order No. A15-106 dated June 30, 2015 (“Order”), the Department of Banking and Insurance withdrew the commercial motor vehicle stranger pedestrian PIP claims from the UCJF’s risk sharing mechanism. The Order provides that all commercial motor vehicle carriers will “continue to be assessed for commercial pedestrian PIP claims by UCJF/PLIGA based upon their commercial motor vehicle insurance premium volume until all commercial pedestrian PIP claims covered by the risk sharing mechanism have been paid in full.” The Order also provides that commercial motor vehicle carriers will continue to be assessed for the UCJF’s uninsured motorist obligations.

The Board determined that an assessment of member companies was necessary as follows:

Private Passenger Automobile

In accordance with N.J.S.A. 39:6-63(d), NJPLIGA has determined the 2016 UCJF assessment rate to be 1.50% of each carrier’s 2015 private passenger automobile liability net direct written premium (“NDWP”). Notices for the 2016 UCJF assessment will be issued on June 1, 2016.

Commercial Motor Vehicle

In accordance with N.J.S.A. 39:6-63(d), NJPLIGA has determined the 2016 UCJF assessment rate to be 1.50% of each carrier's 2015 commercial motor vehicle liability NDWP. Notices for the 2016 UCJF assessment will be issued on June 1, 2016.

All assessment payments must be remitted to the UCJF no later than **July 16, 2016**.

If you have any questions, please refer to NJPLIGA's website (www.njguaranty.org) or contact the Member Company Representative at MemCoRep@njguaranty.org or (908) 382-7227.