

## **New Jersey Department of Transportation – Division of Motor Vehicles – Self Insurance Statute**

### **39:6-50.1 Authority to Commissioner**

The Commissioner shall have the authority to issue any rules and regulations or exercise any power granted to him by Title 17 of the Revised Statutes with respect to vehicles which are self-insured pursuant to the provisions of sections 30, 31, and 32 of P.L. 1952, c. 173 (C. 39:6A-52, 39:6A-53, and 39:6A-54).

L. 1987, c. 428, s. 4.

### **39:6-51. Informing persons as to contents of act**

The director shall, by means of any printed form he provides, inform every person to whom a driver's license or registration certificate is issued of the contents of this act.

L.1952, c. 173, p. 568, s. 29.

### **39:6-52. Certificate of self-insurance**

(a) Any person in whose name more than 25 motor vehicles are registered or in whose name more than 25 motor vehicles are leased may qualify as a self-insurer by obtaining a certificate of self-insurance issued by the Commissioner of Banking and Insurance as provided in subsection (b) of this section.

(b) The Commissioner may, in his discretion, upon the application of such a person, issue a certificate of self-insurance when he is satisfied that such person is possessed and will continue to be possessed of ability to pay judgments obtained against such person.

(c) The application shall be on a form prescribed by the Commissioner, and shall include any information which the Commissioner deems to be necessary to determine the applicant's eligibility for self-insurance, including, but not limited to, information on the number and types of the motor vehicles which are to be self-insured, the proposed use of the vehicles, and financial information regarding the applicant. The certificate shall be issued for a one-year period and each holder of a certificate shall make application for renewal.

(d) If the applicant for a certificate of self-insurance is a corporation, the Commissioner may also include in the certificate of self-insurance any subsidiary corporation under the control of that corporation if the parent corporation guarantees that it will discharge the subsidiary corporation's liability pursuant to the provisions of this act. In the event that the ownership of the parent or a subsidiary corporation changes, the parent or subsidiary shall reapply for a certificate of self-insurance within 30 days of the ownership change. If the parent corporation does not provide a guarantee that it will discharge the subsidiary corporation's liability, the subsidiary shall make separate application and receive independent qualification as a self-insurer.

(e) The Commissioner may make or cause to be made audits or examinations as he may deem necessary to determine the financial ability of the applicant or certificate holder to discharge his obligations as a self-insurer. The reasonable expenses of the audit or examination shall be fixed and determined by the Commissioner, and shall be payable by the applicant or certificate holder upon presentation of a detailed account of expenses.

(f) The Commissioner may require the furnishing of a surety bond or evidence of excess insurance.

(g) A filing fee of \$1,000.00 shall accompany every application for a certificate of self-insurance or a renewal thereof, except that no filing fee shall be required of any public entity which applies for a certificate of self-insurance pursuant to this section or a renewal thereof.

(h) Upon not less than five days' notice and a hearing pursuant to such notice, the Commissioner may upon reasonable grounds cancel a certificate of self-insurance. Failure to pay any judgment within 30 days after such judgment shall have become final shall constitute a reasonable ground for the cancellation of a certificate of self-insurance.

L. 1952, c. 173, s. 30; amended 1987,c.428,s.1.