

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF THE TRANSFER OF THE)
MANAGEMENT, ADMINISTRATIVE AND)
CLAIM FUNCTIONS OF THE UNSATISFIED) ORDER
CLAIM AND JUDGMENT FUND TO THE NEW)
JERSEY PROPERTY-LIABILITY INSURANCE)
GUARANTY ASSOCIATION)

This matter having been opened by the Commissioner of Banking and Insurance ("Commissioner") pursuant to the authority of N.J.S.A. 17:1-8.1, 17:1-15e, and P.L. 2003, c. 89 and all powers expressed and implied therein; and

IT APPEARING that, pursuant to P.L. 2003, c. 89 enacted on June 9, 2003, the New Jersey Property-Liability Insurance Guaranty Association ("PLIGA") is to assume responsibility for all management, administrative and claims functions of the Unsatisfied Claim and Judgment Fund ("Fund") and all functions, powers and duties of the Fund are transferred to the PLIGA, and that the Unsatisfied Claim and Judgment Fund Board in the Department of Banking and Insurance ("Department") is abolished and all of its functions, powers and duties, along with the Fund, its assets, liabilities and balances are to be transferred from the Department to the PLIGA; and

IT FURTHER APPEARING that section 6 of P.L. 2003, c. 89 empowers the Commissioner to provide for an orderly transition of the operations, functions, powers and duties of the Fund; and

IT FURTHER APPEARING that the public interest requires that the orderly transition provide for the uninterrupted processing of claims and the timely payment of obligations as they come due by the Fund,

THEREFORE, it is on this 20th day of June, 2003 ORDERED that:

1. All insurers shall continue to process pedestrian personal injury protection claims in accordance with existing policies and procedures pending the Department's approval of revisions to their current policy forms and shall continue to communicate with UCJF at its current address, telephone number and e-mail address until further order.

2. All personnel, systems, assessments, and claim functions of the Fund presently administered by the Department shall continue to be so administered on an interim basis until further order.

3. The Fund shall continue to utilize its current bank accounts and resources, pending orderly transfer of the UCJF funds to the PLIGA and the establishment of new accounts for the payment of UCJF obligations. The Department staff shall confer with staff of the PLIGA and of the Office of the State Treasurer to assure an orderly transfer of funds that facilitates the continued payment of UCJF obligations as they come due, and that properly accounts for monies required to reimburse the Department for the costs of its administration of the Fund during this interim transition period.

4. All current procedures of the Fund shall remain in effect, and all claim files shall continue to be held and administered by the Fund, until further order. While notices of claims shall continue to be filed with the Department, any notice filed with the PLIGA relating to claims against the Fund shall be deemed properly filed with the Fund upon timely receipt by the PLIGA.

5. Notices of claims filed against the Fund pursuant to N.J.S.A.39:6-65 for accidents occurring on or before June 8, 2003 must be filed within 90 days of the date of the accident, and notices of claims for accidents occurring on or after June 9, 2003 must be filed within 180 days of the date of the accident.

6. The Fund's 2003 assessment for fiscal year 2004 made pursuant to Order A03-119 shall remain in full force and effect.

7. Department staff shall confer with staff from the PLIGA to establish interim procedures and to plan for the orderly assumption of the Fund's operations by the PLIGA and for the adoption of appropriate amendments to the Plan of Operation of the PLIGA to provide for its administration of the Fund.

8. Claims for the payment of Personal Injury Protection benefits pursuant to N.J.S.A. 39:6-86.1 to a pedestrian sustaining bodily injury in this State caused by an automobile, other than to a named insured or a member of a named insured's family residing in his household, if that pedestrian is entitled to Personal Injury Protection coverage under an automobile insurance policy, shall continue to be filed against the Fund.

6/20/03
Date

/s/ Holly C. Bakke
Holly C. Bakke
Commissioner

UCJFPLIGA/INOORD