

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF THE TERMINATION)
OF THE MEDIATION PROGRAM TO AID IN) ORDER
THE RESOLUTION OF CLAIMS RELATED)
TO STORM SANDY ESTABLISHED)
PURSUANT TO ORDER NO. A13-106, AND)
BULLETINS NO. 13-07 AND 13-08)

This matter having been opened by the Commissioner of the Department of Banking and Insurance (“the Commissioner”) pursuant to the authority of N.J.S.A. 17:1-8.1, 17:1-5, 17:29B-1, N.J.S.A. App. A:7-1, Order No. A13-106, Bulletins 13-07 and 13-08, and all powers expressed or implied therein; and

IT APPEARING that Storm Sandy caused widespread property damage in this State and resulted in property owners filing a high volume of claims with their insurers related to the damage caused by the storm; and

IT FURTHER APPEARING that to alleviate the hardship experienced by New Jersey residents whose property was damaged or destroyed by Storm Sandy, the Department of Banking and Insurance (“the Department”) issued Order No. A13-106 on March 26, 2013 (as supplemented by Bulletin Nos. 13-07 and 13-08) to establish a Mediation Program for unresolved first party claims filed with insurers regulated by the Department to safeguard the interests of those policyholders and to encourage swift and amicable resolution of Storm Sandy Claims; and

IT FURTHER APPEARING that the Mediation Program has been a success in resolving more than 500 Storm Sandy related claims without litigation; and

IT FURTHER APPEARING that Department data demonstrates that 99.9% of Storm Sandy related claims against insurance coverages regulated by the Department have been resolved and those remaining are likely in litigation; and

IT FURTHER APPEARING that the Mediation Program has received only approximately 12 new filings over the last six months; and

IT FURTHER APPEARING that based on the above, the Department has determined that the Mediation Program is no longer necessary and should be terminated effective August 1, 2016, with no new filings being accepted after that date; and

IT FURTHER APPEARING that New Jersey consumers with inquiries or complaints involving a Department licensee and/or handling of their Storm Sandy claims can submit them to the Department for review and assistance at any time;

NOW, THEREFORE IT IS on this 6th day of June 2016;

ORDERED that the Storm Sandy Mediation Program established pursuant to Order No. A13-106 shall be terminated effective August 1, 2016, and no new requests for mediation will be accepted after that date; and

IT IS FURTHER ORDERED that requests for mediation of unresolved first party claims filed with insurers regulated by the Department (e.g. claims under homeowners, automobile, commercial property and motor vehicle insurance policies) can be filed on or before August 1, 2016, and information on how to file a request for mediation can be found on the Department's website at: http://www.state.nj.us/dobi/division_consumers/insurance/sandymediation.html; and

IT IS FURTHER ORDERED that requests for mediation received by the Mediation Program Administrator after August 1, 2016, shall be rejected.

June 6, 2016
Date



Peter Hartt
Acting Commissioner

order termination of sandy mediation program jc/inoord