



State of New Jersey
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BULLETIN NO. 20-04

**TO: ALL ENTITIES LICENSED OR REGULATED BY THE
DEPARTMENT OF BANKING AND INSURANCE**

FROM: MARLENE CARIDE, COMMISSIONER

RE: DISRUPTION RESULTING FROM COVID-19

Since the outbreak of the respiratory disease COVID-19, individuals and businesses in the State of New Jersey, have been negatively impacted in a variety of ways. For example, small businesses in the travel, entertainment, hospitality, and food service industries, have been adversely impacted by significant drops in business activities resulting, for some entities, in dramatic declines in revenue. Employees of these industries will be impacted, which may include the failure to be paid their regular salary or receive reimbursements when normally due. This, in turn, can adversely affect the ability of these individuals or businesses to make payments for obligations, such as insurance coverage, mortgages, and student or other loans, when due. The Department of Banking and Insurance ("Department") is encouraging all insurers, banks, credit unions, mortgage lenders and brokers, consumer lenders, student lenders, insurance producers, real estate brokers, and any other person or entity subject to licensure or regulation by this Department, to take into consideration the difficulties residents have endured and will continue to endure until the spread of COVID-19 is controlled, and those affected begin to receive regular payments and have been reimbursed for monies past due. The Department specifically encourages the entities and individuals it regulates to assist those affected by the current conditions by taking actions such as:

Insurance Division Regulated Entities/Individuals: Consistent with prudent insurance practices, relaxing due dates for premium payments and insurance policy based loan payments, extending grace periods, waiving late fees and penalties, allowing forbearance with regard to the cancellation/non-renewal of policies, allowing payment plans for premium payments, extending timeframes to complete property and automobile inspections or undergo medical exams, and exercising judicious efforts to assist affected policyholders and work with them to make sure that their insurance policies do not lapse.

Banking Division Regulated Entities/Individuals: Consistent with safe-and-sound banking practices, relaxing due dates for loan payments (of all types, including mortgage, commercial,

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student and other consumer loans), extending grace periods, modifying terms on existing loans, easing credit card limits, extending new credit, waiving late fees and other fees, allowing customers to defer or skip payments, and delaying the submission of delinquency notices to credit bureaus.

The Department empathizes with those impacted by the business downturn caused by COVID-19 and hopes compliance with this guidance will assist these businesses and individuals, particularly those with limited financial resources. The Department believes that reasonable and prudent efforts by your institutions to assist these businesses and individuals under these unusual and extreme circumstances are consistent with safe and sound practices as well as in the public interest.

The Department will continue to monitor this situation and issue further communications by bulletin or on its website, www.dobi.nj.gov, as deemed appropriate. Your cooperation during this time of disruption is appreciated.

3/19/20
Date

Marlene Caride
Marlene Caride
Commissioner

COVID 19/jd COVID-19 Consumer Protection