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SUBCHAPTER 1. ORGANIZATION

11:1-1.1 Organization

(a) The organization of the Department of Banking and Insurance appears below.

(b) The mission of the Department of Banking and Insurance is to regulate the banking, insurance and real estate industries in a professional and timely manner that protects and educates consumers and promotes the growth, financial stability and efficiency of those industries.

11:1-43.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

“Association” means the New Jersey Property-Liability Insurance Guaranty Association established pursuant to N.J.S.A. 17:30A-1 et seq.

“Commissioner” means the Commissioner of the New Jersey Department of Banking and Insurance.

“Covered claim” is as defined in N.J.S.A. 17:30A-5 or 17:22-6.72, as applicable.

“Department” means the New Jersey Department of Banking and Insurance.

“Due date” means the final date set by the court for the filing of claims against the liquidator or receiver of an insolvent insurer, or, in the event a final date is not set by the court for the filing of claims against the liquidator or receiver of an insolvent insurer, two years from the date of the order of liquidation.

“Fund” means the New Jersey Surplus Lines Insurance Guaranty Fund established pursuant to N.J.S.A. 17:22-6.70 et seq.

“Insolvent insurer” is as defined at N.J.S.A. 17:30A-5 or 17:22-6.72, as applicable.

Amended by R.2006 d.307, effective September 5, 2006.
See: 37 N.J.R. 4156(a), 38 N.J.R. 3586(a).
Rewrote definition “Due date”.

11:1-43.3 Unusual hardship

(a) Pursuant to N.J.S.A. 17:30A-5 and 17:22-6.72, as applicable, a covered claim by the Association or Fund shall not include a claim filed with the Association or Fund, as applicable, after the final date set by the court for the filing of claims against the liquidator or receiver of an insolvent insurer, or, in the event a final date is not set by the court for the filing of claims against the liquidator or receiver of an insolvent insurer, two years from the date of the order of liquidation, unless the claimant demonstrates unusual hardship, as determined pursuant to this subchapter, and the Commissioner approves of the treatment of the claim as a covered claim.

(b) For purposes of (a) above, a claimant may show unusual hardship by filing information that demonstrates any of the following:

1. The claimant never received notice of the due date for filing claims;
 - i. The claimant shall be presumed to have received notice if the notice was timely mailed to the claimant’s address currently on file with insurer;

2. The mailing address of the claimant in the insurer’s records is erroneous, and the claimant demonstrates that he or she notified the insurer or its agent of a change in address;

3. The claimant was incapable of responding to the notice due to an emergent and extreme medical event or similar emergent and extreme circumstance; or

4. The claimant is deceased, and the claimant’s estate demonstrates that the death occurred within such a time period that the representative of the claimant’s estate did not have sufficient time to advise the insurer or its agent of such circumstance.

(c) Requests for treatment of a claim on the basis of unusual hardship shall contain the following information:

1. The name, address, social security number, telephone number, and date of birth of the claimant making the application;

2. The policy number;

3. The name of the insured, if different than the claimant;

4. A description of the particular reason(s) that constitute unusual hardship as set forth in (b) above; and

5. Copies of all documents required to support the request, including, but not limited to, as applicable:

- i. Notice to the insurer or agent of change of address;

- ii. Death certificate;

- iii. Report from a physician that specifies the type of medical condition or injury that prevented the claimant from filing a timely claim, the date such condition or injury first occurred, the date treatment was initiated, and any other relevant information; and

- iv. Any additional information or documentation the Association or Fund, as applicable, or the Commissioner may specifically request from a particular claimant.

(d) Completed requests shall be sent to the Association or Fund at:

New Jersey Property-Liability Insurance Guaranty Association
(or New Jersey Surplus Lines Insurance Guaranty Fund)
Unusual Hardship Request
222 Mount Airy Rd.
Basking Ridge, NJ 07920

(e) The Association or Fund, as applicable, shall notify the claimant, or his or her legal representative, by certified mail, return receipt requested, whether it has approved the request for a finding of unusual hardship. The Association or Fund shall concurrently file a copy of its determination with the

Department. No determination by the Association or Fund, as applicable, to approve a request for a finding of unusual hardship shall be deemed to constitute acceptance of the claim otherwise as a covered claim or approval of any payment of the claim.

Amended by R.2006 d.307, effective September 5, 2006.
See: 37 N.J.R. 4156(a), 38 N.J.R. 3586(a).
Rewrote (a) and address in (d).

11:1-43.4 Request for review by the Commissioner

(a) A claimant may request a review by the Commissioner of a determination of the Association or Fund, as applicable, denying a request for a finding of unusual hardship within 20 days of receipt of the Association's or Fund's written decision by submitting to the Commissioner a request for review addressed to:

Office Solvency Regulation
New Jersey Department of Banking and Insurance
20 West State Street
PO Box 325
Trenton, NJ 08625-0325

(b) A request for review shall include those items presented in the initial request, a written statement explaining why the determination of the Association or Fund denying the initial request was incorrect, and any additional documentation in support of the request for review.

1. A copy of the request for review shall be simultaneously filed by the claimant with the Association or Fund, as applicable.

2. The Association or Fund, upon receipt of the request for review, shall forward the claimant's file to the Commissioner for his or her review.

(c) The Commissioner's final decision shall be provided to the Association or Fund, as applicable, and shall be mailed to the claimant or his or her legal representative by certified mail, return receipt requested and by regular mail. The Commissioner's decision shall constitute a final agency decision.

Amended by R.2006 d.307, effective September 5, 2006.
See: 37 N.J.R. 4156(a), 38 N.J.R. 3586(a).

In (a), substituted "Office Solvency Regulation" for "Office of Financial Solvency".

11:1-43.5 Confidentiality

All documents provided by a claimant pursuant to N.J.A.C. 11:1-43.3 shall be confidential and shall not be subject to public inspection or copying pursuant to the "Right-to-Know" law, N.J.S.A. 47:1A-1 et seq.

SUBCHAPTER 44. STANDARDS FOR SAFEGUARDING CUSTOMER INFORMATION

11:1-44.1 Purpose and scope

(a) This subchapter establishes standards for developing and implementing administrative, technical and physical safeguards to protect the security, confidentiality and integrity of customer information, pursuant to Sections 501, 505(b) and 507 of the Gramm-Leach-Bliley Act, 15 U.S.C. §§ 6801, 6805(b) and 6807.

(b) This subchapter shall apply to all licensees as defined herein.

(c) This subchapter shall not be deemed to limit or affect the duty of a licensee to maintain the confidentiality of information required to be kept confidential pursuant to law, including, but not limited to, N.J.S.A. 17:23A-1 et seq.

11:1-44.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

"Consumer" means an individual who seeks to obtain, obtains or has obtained an insurance product or service from a licensee that is to be used primarily for personal, family or household purposes, and about whom the licensee has nonpublic personal information, or that individual's legal representative.

"Customer" means a consumer who has a customer relationship with a licensee.

"Customer information" means nonpublic personal information as defined in this section about a customer, whether in paper, electronic or other form, that is maintained by or on behalf of the licensee.

"Customer information systems" means the electronic or physical methods used to access, collect, store, use, transmit, protect or dispose of customer information.

"Customer relationship" means a continuing relationship between a consumer and a licensee under which the licensee provides one or more insurance products or services to the consumer that are to be used primarily for personal, family or household purposes.

1. A consumer has a continuing relationship with a licensee if:

- i. The consumer is a current policyholder of an insurance product issued by or through the licensee; or
- ii. The consumer obtains financial, investment or economic advisory services relating to an insurance product or service from the licensee for a fee.

2. A consumer does not have a continuing relationship with a licensee if:

- i. The consumer applies for insurance but does not purchase the insurance;
- ii. The licensee sells the consumer airline travel insurance in an isolated transaction;
- iii. The individual is no longer a current policyholder of an insurance product or no longer obtains insurance services with or through the licensee;
- iv. The consumer is a beneficiary or claimant under a policy and has submitted a claim under a policy choosing a settlement option involving an ongoing relationship with the licensee;
- v. The consumer is a beneficiary or a claimant under a policy and has submitted a claim under that policy choosing a lump sum settlement option;
- vi. The customer's policy lapsed, expired or otherwise became inactive or dormant under the licensee's business practices, and the licensee has not communicated with the customer about the relationship for a period of 12 consecutive months, except through annual privacy notices, material distributions or mass mailings required by law or regulation, communication at the direction of a State or Federal authority, or promotional materials;
- vii. The individual is an insured or an annuitant under an insurance policy or annuity, respectively, but is not the policyholder or owner of the insurance policy or annuity; or
- viii. The individual's last known address of record is deemed invalid for the purposes of this subchapter. An address of record is deemed invalid if mail sent to that address by the licensee has been returned by the postal authorities as undeliverable and if subsequent attempts by the licensee to obtain a current valid address for the individual have been unsuccessful.

"Licensee" means all licensed insurers, producers and other persons licensed or required to be licensed, or authorized or required to be authorized, or registered or required to be registered pursuant to Titles 17 and 17B of the New Jersey Statutes, health maintenance organizations holding a certificate of authority pursuant to N.J.S.A. 26:2J-1 et seq., and any other person or entity subject to the statute governing information practices at N.J.S.A. 17:23A-1 et seq. "Licensee" shall not include: a purchasing group; or an unauthorized insurer in regard to the surplus lines business conducted pursuant to N.J.S.A. 17:22-6.40 et seq.

"Nonpublic personal information" means "personal information" and "privileged information" as defined in N.J.S.A. 17:23A-2t and w, respectively.

"Service provider" means a person that maintains, processes or otherwise is permitted access to customer infor-

mation through its provision of services directly to the licensee.

11:1-44.3 Information security program

(a) Each licensee shall implement a comprehensive written information security program that includes administrative, technical and physical safeguards for the protection of customer information. The administrative, technical and physical safeguards included in the information security program shall be appropriate to the size and complexity of the licensee and the nature and scope of its activities.

(b) A licensee shall maintain and make available appropriate records to enable the Department to determine compliance with the requirements of this subchapter.

11:1-44.4 Objectives of information security program

(a) A licensee's information security program shall be designed to:

1. Ensure the security and confidentiality of customer information;
2. Protect against any anticipated threats or hazards to the security or integrity of customer information; and
3. Protect against unauthorized access to or use of customer information that could result in substantial harm or inconvenience to any customer.

11:1-44.5 Examples of methods of development and implementation

The actions and procedures described in N.J.A.C. 11:1-44.6 through 44.9 are examples of methods of implementation of the requirements of N.J.A.C. 11:1-44.3 and 44.4. These examples are non-exclusive illustrations of actions and procedures that licensees may follow to implement N.J.A.C. 11:1-44.3 and 44.4.

11:1-44.6 Assessment of risk

The licensee identifies reasonably foreseeable internal or external threats that could result in unauthorized disclosure, misuse, alteration or destruction of customer information or customer information systems; assesses the likelihood and potential damage of these threats, taking into consideration the sensitivity of customer information; and assesses the sufficiency of policies, procedures, customer information systems and other safeguards in place to control risks.

11:1-44.7 Management and control of risk

The licensee designs its information security program to control the identified risks, commensurate with the sensitivity of the information, as well as the complexity and scope of the licensee's activities; trains staff, as appropriate, to implement the licensee's information security program; and regularly tests or otherwise regularly monitors the key controls, systems and procedures of the information security program. The

frequency and nature of these tests or other monitoring practices are determined by the licensee's risk assessment.

11:1-44.8 Service provider agreements

The licensee exercises appropriate due diligence in selecting its service providers; and requires its service providers to implement appropriate measures designed to meet the objectives of this subchapter, and, where indicated by the licensee's risk assessment, takes appropriate steps to confirm that its service providers have satisfied these obligations.

11:1-44.9 Adjustment of the program

The licensee monitors, evaluates and adjusts, as appropriate, the information security program in light of any relevant changes in technology, the sensitivity of its customer information, internal or external threats to information, and the licensee's own changing business arrangements, such as mergers and acquisitions, alliances and joint ventures, outsourcing arrangements and changes to customer information systems.

11:1-44.10 Violations

Failure to comply with the provisions of this subchapter shall be deemed to constitute a violation of the statutes governing trade practices at N.J.S.A. 17:29B-1 et seq. and 17B:30-1 et seq., as applicable, and shall result in the imposition of penalties as provided in those statutes, N.J.S.A. 17:22A-26 et seq., 17:23A-1 et seq., 17:33-2, and any other provision of law.

11:1-44.11 Effective date

A licensee shall establish and implement an information security program, including appropriate policies and systems pursuant to this subchapter, by October 19, 2004.

SUBCHAPTER 45. NOTICE TO POLICYHOLDERS OF PERSONAL LINES INSURANCE RATE INCREASES

11:1-45.1 Purpose and scope

(a) This subchapter sets forth the form and manner of notice to be provided to policyholders and the public when an insurer or rating organization files for a personal lines prior approval rate increase, in accordance with N.J.S.A. 52:27EE-51.

(b) This subchapter shall apply to all insurers and rating organizations that file for a consumer insurance rate increase, as required pursuant to N.J.S.A. 52:27EE-50 and 51. This subchapter shall not apply if the proposed change pertains to:

1. A prior approval rate filing made pursuant to N.J.S.A. 17:29A-46.6 or 17:36-5.35;

2. Rating system changes made pursuant to N.J.S.A. 17:29A-46.1 et seq.;

3. A rate filing made pursuant to any statutory change in coverage provided under a policy of private passenger automobile insurance;

4. A rate filing by the New Jersey Personal Automobile Insurance Plan; or

5. A prior approval rate filing of seven percent or less except when an insurer has filed for one or more prior approval rate filing(s) for implementation within a 12-month period and the impact of the filing(s) is a combined overall increase of more than seven percent, in which case this subchapter shall apply to the filing which causes the combined overall increase to exceed seven percent.

Amended by R.2006 d.307, effective September 5, 2006.
See: 37 N.J.R. 4156(a), 38 N.J.R. 3586(a).

In (a), substituted "personal lines prior approval" for "consumer insurance" and "52:27EE-51" for "17:29A-53b"; in the introductory paragraph of (b), substituted "52:27EE-50 and 51" for "17:29A-53b"; in (b)3, deleted "or" from the end; in (b)4, substituted "; or" for a period at the end; and added (b)5.

Amended by R.2010 d.230, effective October 18, 2010.

See: 41 N.J.R. 3363(a), 42 N.J.R. 2425(a).

Rewrote (b)5.

11:1-45.2 Definitions

The following words and terms, as used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

"Commissioner" means the Commissioner of the New Jersey Department of Banking and Insurance.

"Consumer insurance rate increase" means a prior approval rate filing that:

1. For private passenger automobile insurance, would result in an increase in rates for any group of coverages, as defined in N.J.A.C. 11:3-16.2;

2. For homeowners' insurance, would result in an increase in rates for any policy form, that is, owners, tenants, or condominiums;

3. For personal lines property/casualty coverages, other than as set forth in 1 and 2 above, would result in a positive base rate change; and

4. For Medicare Supplement coverages, would result in an increase for any of the standard coverage plans A through L or for any non-standard policy or certificate form used by the filer.

"Department" means the New Jersey Department of Banking and Insurance.

"Division of Rate Counsel" means the division which pursuant to P.L. 2010, c. 34 (N.J.S.A. 52:27EE-46 et seq., as amended) is in, but independent of, the Department of the Treasury of New Jersey.

“Insurer” means an entity authorized or admitted to transact insurance in this State pursuant to Titles 17 or 17B of the New Jersey Statutes.

“Medicare Supplement coverage” means coverage under a Medicare supplement policy, as defined in N.J.S.A. 17B:26A-1e.

“Personal lines prior approval rate increase” means an increase in rates for personal lines property/casualty coverages, which are those coverages listed in paragraphs 1 through 3 in the definition “consumer insurance rate increase” above in this section.

“Personal lines property/casualty coverages” means insurance issued for personal, family or household purposes, as set forth at N.J.A.C. 11:13-1.2(a)2.

“Private passenger automobile insurance” means direct insurance on an “automobile,” as defined in N.J.S.A. 39:6A-2.

“Rating organization” means every person or persons, corporation, partnership, company, society, or association engaged in the business of ratemaking for two or more insurers, and licensed as such pursuant to N.J.S.A. 17:29A-2.

Amended by R.2006 d.307, effective September 5, 2006.
See: 37 N.J.R. 4156(a), 38 N.J.R. 3586(a).

In 4 of definition “Consumer insurance rate increase”, substituted “Supplement” for “Supplemental” and “L” for “J”; added definition “Division of Rate Counsel”; substituted definition “Medicare Supplement coverage” for definition “Medicare supplemental coverage”; and added definition “Personal lines prior approval rate increase”.
Amended by R.2010 d.230, effective October 18, 2010.
See: 41 N.J.R. 3363(a), 42 N.J.R. 2425(a).

Rewrote definition “Division of Rate Counsel”.

11:1-45.3 Form of notice required

(a) Subject to N.J.A.C. 11:1-45.1(b), insurers shall provide notice, in the form set forth in Exhibit A in the Appendix to this subchapter, incorporated herein by reference, of any filing for a personal lines prior approval rate increase, as set forth in N.J.S.A. 52:27EE-51, filed directly by the insurer or on its behalf by a rating organization. The notice shall be communicated through either regular or electronic mail to the named policyholders who use the products and services subject to the consumer insurance rate increase, and shall be provided within seven business days of the filing with the Department. In the case of regular mail, the notice shall be sent to the last known address of the named policyholder. The insurer may request policyholders to supply their electronic mail address, if they have one. If the policyholder does not have an electronic mailing address, then the insurer shall use regular mail. Insurers shall, as part of any filing for a consumer insurance rate increase, affirm that they are aware of and will comply with this notice requirement.

(b) Insurers shall not be responsible to assure receipt of the notice by all policyholders, provided the insurer has complied with N.J.A.C. 11:1-45.3. The failure of any policyholders to receive the notice shall not impact the effectiveness of any rate change that may subsequently be approved.

(c) Rating organizations shall publish notice, in the form set forth in Exhibit A in the Appendix to this subchapter, of any filing for a consumer insurance rate increase, in three newspapers of general circulation in this State, and on the rating organization’s website, within seven business days of the filing with the Department.

(d) Nothing in this rule prevents the insurer from supplementing its notice with any other explanatory information that it may wish to supply to its policyholders with respect to the rate increase.

(e) Pursuant to N.J.S.A. 52:27EE-50, insurers and rating organizations shall file notice of a prior approval rate filing seeking a consumer insurance rate increase with the Department and shall concurrently provide a copy of the filing to the Division of Rate Counsel in the Department of the Treasury.

Amended by R.2006 d.307, effective September 5, 2006.
See: 37 N.J.R. 4156(a), 38 N.J.R. 3586(a).

In (a), substituted “personal lines prior approval” for “consumer insurance”, “set forth” for “defined”, “52:27EE-51” for “17:29A-53b” and “seven” for “10”; in (c), substituted “seven” for “10”; and added (e).
Amended by R.2010 d.230, effective October 18, 2010.
See: 41 N.J.R. 3363(a), 42 N.J.R. 2425(a).

In (e), substituted “Treasury” for “Public Advocate”.

11:1-45.4 Penalties

Failure to comply with this subchapter shall result in the imposition of penalties as authorized by law, including, but not limited to, penalties authorized pursuant to N.J.S.A. 17:33-2.

APPENDIX

Dear Policyholder:

(Salutation may be omitted by rating organizations.)

This is to provide notice as required pursuant to N.J.S.A. 52:27EE-51 that (COMPANY NAME) filed on (DATE) with the New Jersey Department of Banking and Insurance a request for a rate increase in the amount ____% for (TYPE OF COVERAGE(S)).

[For PPA only] Under the proposed filing, the average liability-only policy would see a rate change of ____%. The average Full Coverage policy (includes comprehensive and collision coverage) will see a rate change of ____%. The impact of the filing on your rates may vary substantially, depending on the terms of your policy and your individual circumstances.

[For homeowners’ only] Under the proposed filing, the average Owners policy (or equivalent term used by the filer) will see a rate change of ____%. The average Tenants policy will see a rate change of ____%. The average Condominiums policy (or equivalent term used by the filer) will see a rate change of ____%. The impact of the filing on your rates may vary substantially, depending on the terms of your policy and your individual circumstances.

[For all other personal lines property/casualty coverages] Under the proposed filing, the average policy will see a rate change of ____%. The impact of the filing on your rates may vary substantially, depending on the terms of your policy and your individual circumstances.

The request for a rate increase is subject to review and approval by the Department of Banking and Insurance pursuant to law, and the request ultimately may not be approved or may not be approved for the full amount requested. If approved in whole or in part, the rate change will not affect existing policies until they come up for renewal.

Amended by R.2006 d.307, effective September 5, 2006.
See: 37 N.J.R. 4156(a), 38 N.J.R. 3586(a).

Rewrote section.

SUBCHAPTER 46. WORKERS' COMPENSATION SECURITY FUND

11:1-46.1 Purpose and scope

(a) This subchapter sets forth procedures for the assessment of carriers for purposes of making contributions to the Workers' Compensation Security Fund pursuant to N.J.S.A. 34:15-108.

(b) This subchapter shall apply to all carriers authorized or admitted to transact workers' compensation insurance in this State pursuant to Title 17 of the Revised Statutes.

Amended by R.2007 d.365, effective December 3, 2007.
See: 39 N.J.R. 3275(a), 39 N.J.R. 5083(a).

In (a), deleted "stock" preceding "carriers" and "Stock" preceding "Workers' "; and in (b), substituted "carriers" for "stock insurers".

11:1-46.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

"Carrier" means any stock corporation, reciprocal or association organized and operating on the mutual plan, authorized or admitted to transact workers' compensation insurance in this State, except an insolvent carrier.

"Commissioner" means the Commissioner of the New Jersey Department of Banking and Insurance.

"Department" means the New Jersey Department of Banking and Insurance.

"Fund" means the Workers' Compensation Security Fund established pursuant to N.J.S.A. 34:15-103 et seq.

"Insolvent carrier" means a carrier which has been determined to be insolvent, or for which, or for the assets of which, a receiver has been appointed by a court or public officer of competent jurisdiction and authority.

Amended by R.2007 d.365, effective December 3, 2007.
See: 39 N.J.R. 3275(a), 39 N.J.R. 5083(a).

Added definitions "Carrier" and "Fund"; substituted definition "Insolvent carrier" for "Insolvent stock carrier"; and deleted definitions "Stock carrier" and "Stock fund".

11:1-46.3 Contributions to fund

(a) The Department shall periodically evaluate the amount of funds in the fund. When the aggregate amount of all payments into the fund, together with accumulated interest thereon, less all its expenditures and known liabilities of all carriers for the payment of benefits, shall be reduced below three percent of the loss reserves of all carriers for the payment of benefits under N.J.S.A. 34:15-1 et seq. or 33 U.S.C. § 901 et seq. by reason of payments from and known liabilities of the fund, then the Commissioner shall by Order require that contributions to the fund be made based on the net premiums of each carrier, as shown on the carrier's most recently filed annual statement and that such contributions continue until the fund, over and above its known liabilities, shall be equal to not less than three percent nor more than five percent of such reserves.

(b) All payments shall be made in the amount specified in and pursuant to the Order of the Commissioner.

Amended by R.2007 d.365, effective December 3, 2007.
See: 39 N.J.R. 3275(a), 39 N.J.R. 5083(a).

Section was "Contributions to stock fund". In (a), deleted "stock" preceding "fund" and "carriers" throughout, and substituted "carrier's" for "insurer's".

11:1-46.4 Penalties

Failure to comply with the provisions of this subchapter may result in the imposition of penalties as authorized by law, including, but not limited to, penalties authorized pursuant to N.J.S.A. 34:15-109.

SUBCHAPTER 47. ELECTRONIC TRANSACTIONS

11:1-47.1 Purpose and scope

(a) This subchapter recognizes and permits electronic transactions between carriers or producers, and applicants, insureds, or other parties.

(b) This subchapter applies to all transactions between carriers or producers, and an applicant, insured or other party for all kinds of insurance pursuant to Titles 17 and 17B of the New Jersey Statutes. This subchapter shall also apply to transactions involving the PAIP and CAIP. This subchapter shall not apply to cancellation, nonrenewal or termination of any insurance coverage. This subchapter shall not apply to filings required to be made with the Department.

11:1-47.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

“CAIP” means the Commercial Automobile Insurance Plan established pursuant to N.J.S.A. 17:29D-1 and N.J.A.C. 11:3-1.

“Carrier” means an insurance company, health service corporation, hospital service corporation, medical service corporation, dental service corporation, dental plan organization or health maintenance organization approved, authorized, admitted, or eligible to transact business in this State pursuant to Titles 17, 17B or 26 of the New Jersey Statutes, as applicable.

“Commissioner” means the Commissioner of the New Jersey Department of Banking and Insurance.

“Department” means the New Jersey Department of Banking and Insurance.

“Electronic record” is as defined in N.J.S.A. 12A:12-2.

“Electronic signature” is as defined in N.J.S.A. 12A:12-2.

“PAIP” means the Personal Automobile Insurance Plan established pursuant to N.J.S.A. 17:29D-1 and N.J.A.C. 11:3-2.

“Producer” means a person required to be licensed pursuant to N.J.S.A. 17:22A-26 et seq. to sell, solicit or negotiate insurance in this State.

“Record” is as defined in N.J.S.A. 12A:12-2.

11:1-47.3 Electronic transactions

(a) To the extent any statute or rule requires that a transaction or record related thereto between a carrier or a producer and an applicant, insured or other party be in writing, with or without a signature, such transaction or record may be made electronically, provided the requirements of N.J.S.A. 12A:12-1 et seq. with respect to the use of electronic transactions, are satisfied.

(b) All parties shall agree to the use of electronic records in order for such transactions to be given effect.

(c) Carriers and producers shall develop appropriate procedures for the use of electronic transactions in their dealings with applicants, insureds or any other party. The procedures shall provide for the use of electronic records and transactions consistent with all requirements of law.

(d) All procedures shall be part of a carrier’s underwriting rules, to the extent underwriting rules are subject to review and approval by the Commissioner. If underwriting rules are not subject to review and approval, such procedures shall be included in the carrier’s or producer’s business plan.

11:1-47.4 Penalties

Failure to comply with the provisions of this subchapter may result in the imposition of penalties as authorized by law, including, but not limited to, penalties authorized pursuant to N.J.S.A. 17:33-2 and 17B:21-2.