

3. Upon request by the Department, licensees shall provide information concerning the volume of surplus lines business transacted.

(d) Licensed organizations shall notify the Department within 30 days of the addition or deletion of any licensed or unlicensed officer, director, partner or owner of five percent or more of the licensed organization. Notification of the addition of any unlicensed officer, director, partner or owner of five percent or more of the licensed organization shall be accompanied by a properly completed criminal history verification form and required fee.

(e) Departure, termination or deletion of licensee officers, directors or partners, which leaves an organization insurance producer with no licensed officers, directors or partners or with officers, directors or partners who do not have like authorities as the organization producer, shall make the organization producer license inactive. Under these circumstances, the organization license shall be returned immediately to the Commissioner.

Recodified from 11:17-2.11 and amended by R.1993 d.507, effective October 18, 1993.  
See: 24 N.J.R. 3216(a), 25 N.J.R. 4744(b).  
Amended by R.1998 d.233, effective May 18, 1998.  
See: 30 N.J.R. 779(a), 30 N.J.R. 1833(a).

**11:17-2.13 Fees**

(a) The following fees shall be payable as set forth in this chapter:

1. License fee: \$300.00;
2. Filing or processing initial application: \$20.00;
3. Additional authority filing: \$20.00;
4. Reinstating terminated license before its stated expiration date: \$20.00;
5. Any branch office registration: \$20.00;
6. Filing or processing any Notice of Agency Contract: \$20.00;
7. Any limited insurance representative registration: \$20.00; and
8. Late renewal fee: \$50.00.

(b) All fees shall be paid by check or money order made payable to: State of New Jersey—General Treasury. All Department fees are non-refundable after the license effective date.

(c) Disabled veterans may be exempted from payment of the fees described in (a) above upon submission to the Department of a recent certificate of the United States Veterans Administration confirming a current service connected disability.

Recodified from 11:17-2.12 and amended by R.1993 d.507, effective October 18, 1993.

See: 24 N.J.R. 3216(a), 25 N.J.R. 4744(b).

**11:17-2.14 Denial of license**

(a) Whenever it appears from an application, attached documents and Department records that an applicant has not demonstrated the qualifications prescribed in the Act and this chapter, the Department shall advise the applicant in writing that the license requested is denied; shall specify the reason for denial; and shall further advise the applicant of the right to request a hearing in accordance with the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq. and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1-1 et seq. and the procedure for doing so.

(b) Upon receipt of a request for a hearing on a license denial, the Department shall review the application and attachments, its records and any additional information submitted and determine whether the license may be issued. If after this review the Department determines that the applicant is not qualified, the Department shall find that the matter is a contested case and transmit it to the Office of Administrative Law for hearing.

(c) Nothing in this section shall prevent the return of an application to the applicant for correction of ministerial errors.

Recodified from 11:17-2.13 and amended by R.1993 d.507, effective October 18, 1993.  
See: 24 N.J.R. 3216(a), 25 N.J.R. 4744(b).

**Case Notes**

Plea of guilty to indictment charging second degree felony of indecent sexual conduct precluded finding of good character necessary to licensure as insurance producer. *Anderson v. Karpinski*, 95 N.J.A.R.2d (INS) 61.

**11:17-2.15 Termination and cancellation of license; reinstatement after termination**

(a) A licensee may terminate a current producer license by returning the license document to the Department for cancellation at any time before expiration. The Department may refuse to accept a request for cancellation of an organization license unless all current licensed officers or partners consent to the request.

(b) A producer license may be reinstated after termination during the same license period by completing an application in accordance with the provisions of N.J.A.C. 11:17-2.3. No additional license fee for that period shall be required but the processing fee provided in N.J.A.C. 11:17-2.13 shall be paid.

(c) Submitting a license for cancellation or allowing a license to expire shall not void or terminate any disciplinary proceedings against the licensee, nor prevent imposition of any penalty, ordered restitution or costs.

(d) In the event a license is lost or destroyed, the licensee may request a duplicate by submitting a certified statement attesting to the loss.

(e) Nothing in these rules shall authorize any person whose license has been revoked or suspended to continue to transact insurance business after the date of revocation or suspension.

Recodified from 11:17-2.14 and amended by R.1993 d.507, effective October 18, 1993.  
See: 24 N.J.R. 3216(a), 25 N.J.R. 4744(b).

#### Case Notes

Failure to supervise conduct of persons working under authority of agent's producer's license not excused by illness. *Commissioner of Insurance v. Holloway, Sr.*, 97 N.J.A.R.2d (INS) 6.

Resident insurance producer's license was revoked after he submitted false claim to insurance company. *New Jersey Department of Insurance v. Rosenblatt*, 96 N.J.A.R.2d (INS) 102.

Insurance producer's license was revoked because he failed to disclose that his real estate licenses had previously been revoked. *Karpinski v. Pepe*, 96 N.J.A.R.2d (INS) 97.

License of insurance producer was properly revoked upon proof of fraudulent misconduct, including issuing bad checks and forging insured's signature. *Fortunato v. Huertas*, 96 N.J.A.R.2d (INS) 34.

Insurance producer's conviction for issuing bad checks shows unfitness for licensure. *Karpinski v. McKishen*, 96 N.J.A.R.2d (INS) 20.

Prior theft convictions and numerous misrepresentations on application warranted denial of request for licensure as resident insurance producer. *Fortunato v. Thomas*, 95 N.J.A.R.2d (INS) 73.

Long course of conduct in issuing false premium and rating information and in wrongfully applying premium funds justified denial of application for licensure as an insurance producer. *Sirchio v. Fortunato*, 95 N.J.A.R.2d (INS) 68.

Misappropriation of funds that led to federal conviction justified revocation of license as an insurance broker. *Shipitofsky v. Karpinski*, 95 N.J.A.R.2d (INS) 67.

Resident insurance producer license revoked; penalties, restitution and costs; failure to remit collected funds to an insurer. *Samuel F. Fortunato v. Wallace W. Lee, t/a Universal Casualty Insurance Agency*, 94 N.J.A.R.2d (INS) 53.

Revocation of insurance producer's license was appropriate. *Karpinski v. Weiss*, 94 N.J.A.R.2d (INS) 43.

#### 11:17-2.16 Licensee records

(a) The following licensee records shall be public records in accordance with N.J.S.A. 47:1A-1 et seq.:

1. Individual licensee: Name, license reference number, business name, business mailing and location address, business telephone and fax numbers, date of birth, license authorities, date first licensed, date of license examination, current license issue date, professional qualification, date last licensed or current license expiration date; names of companies for which notice of agency contracts have been filed, date of agency contract and date of termination of agency contract if any, and limits on authority if any; names and reference numbers of licensed organizations for which the producer serves as a licensed officer or partner, date became a licensed officer or partner and date terminated if any; names and reference numbers of employed or employing producers, date relationship began and terminated.

2. Licensed organization: Legal name of producer, license reference number, other business name if any, business mailing and location address; license authorities, date first licensed, date last licensed or current expiration date, names and reference numbers of licensed officers and partners; names and reference numbers of insurance companies for which notice of agency contracts have been filed, agency contract date and termination date if any, limits of authority if any; names and reference numbers of employed producers, date relationship began and terminated.

(b) The following licensee records are specifically determined to be nonpublic records in accordance with N.J.S.A. 47:1A-1 et seq.:

1. Criminal complaints, indictments, judgments of conviction and other separate documents submitted in connection with a license application concerning whether an applicant is disqualified by reason of conviction of a crime;
2. Criminal history records obtained as the result of any criminal history check;
3. Petitions or discharges in bankruptcy, complaints, orders or other pleadings in actions for assignment to creditors and other separate documents submitted in connection with a license application concerning whether the applicant is disqualified by reason of unworthiness;
4. Copies of orders of suspension or revocation issued by professional or occupational licensing authorities, and other separate documents submitted in connection with a license application concerning whether the applicant is disqualified by reason of unworthiness;
5. Records concerning the medical disability of any licensee; and
6. Investigative files in any matter pending investigation, or in any completed investigation in which no formal disciplinary action was taken.

(c) Upon request by any person, the Department shall issue a certification of the license status of any currently licensed producer or producer licensed within the preceding four years. Such certification shall contain the licensee's name, date of birth, license reference number, whether currently licensed or expired, kinds of insurance for which authorized whether qualified by examination or the equivalent, and whether any formal disciplinary action was taken during the last four years.

(d) Nothing in this section shall compel the Department to maintain licensee records beyond normal retirement or destruction schedules as approved by the Division of State Library, or to retrieve and provide a copy of any written record required to be filed with the Department when the information requested is available as a certified abstract of information contained in the Department's electronic data processing system.

Recodified from 11:17-2.15 R.1993 d.507, effective October 18, 1993.

See: 24 N.J.R. 3216(a), 25 N.J.R. 4744(b).

Amended by R.1998 d.233, effective May 18, 1998.

See: 30 N.J.R. 779(a), 30 N.J.R. 1833(a).

In (a)1, included business telephone and fax numbers, date of license examination, and current license issue date as public records.

#### **11:17-2.17 Requests for disclosure of social security numbers**

(a) The Department may request that licensed producers, registered limited insurance representatives, license applicants and registration applicants submit their social security numbers to the Department. All such requests shall either include or be accompanied by a notice stating:

1. The purpose or purposes for which the Department intends to use the social security numbers;
2. That disclosure made pursuant to the request is either voluntary or mandatory; and
3. That the request is authorized by this section and by such other law as may be applicable.

New Rule, R.1996 d.183, effective April 1, 1996.

See: 28 N.J.R. 234(a), 28 N.J.R. 1891(a).

Amended by R.1997 d.187, effective May 5, 1997.

See: 29 N.J.R. 304(a), 29 N.J.R. 2178(a).

In (a), inserted reference to registered insurance representatives and registration applicants; in (a)2, inserted reference to mandatory disclosure; and in (a)3, inserted reference to other applicable law.

### **SUBCHAPTER 3. PROFESSIONAL QUALIFICATIONS**

#### **11:17-3.1 Approval of insurance education program**

(a) Professional schools, insurance companies and others who establish programs which include teaching of insurance courses to satisfy professional qualification requirements for prelicensing or continuing education shall, prior to conducting such courses, obtain approval in accordance with this section.

(b) An application for approval of an insurance education program shall be made on a form prescribed by the Commissioner and shall provide the following information:

1. The name of the program and the address of the permanent program office;
2. The name and address of the sponsoring organization, if any;
3. The name of the program director or directors, New Jersey producer license reference number(s), if any, and a signed statement from each director that he or she has read this subchapter, understands his or her responsibilities as a director, and that he or she is fully responsible for the activity of the program;