

INSURANCE

DEPARTMENT OF BANKING AND INSURANCE

OFFICE OF SOLVENCY REGULATION

State College Risk Management Groups

Adopted New Rules: N.J.A.C. 11:15-7

Proposed: August 1, 2011 at 43 N.J.R. 1800(a).

Adopted: December 1, 2011 by Thomas B. Considine, Commissioner, Department of Banking and Insurance.

Filed: December 2, 2011 as R.2012 d.004, **with a substantial change** not requiring additional public notice and opportunity for comment (see N.J.A.C. 1:30-6.3).

Authority: N.J.S.A. 17:1-8.1, 17:1-15e, and 18A:64-86 et seq.

Effective Date: January 3, 2012.

Expiration Date: July 2, 2017.

Summary of Public Comment and Agency Response:

No comments were received.

Summary of Agency-Initiated Change:

At N.J.A.C. 11:15-7.5(a), upon adoption the Department is relaxing the requirement that applicants for approval as State college risk management groups provide five copies of their application filing in the format specified in the rule as proposed. As revised, the rule will permit filers to, at their option, provide only one copy in that format and provide the other four required copies electronically. This change is being made in an effort to reduce the regulatory burden the new rules may impose on applicants, consistent with the common sense principles for agency rulemaking pronounced in Governor Christie's Executive Order No. 2 (2010).

Federal Standards Statement

A Federal standards analysis is not required because the adopted new rules are not subject to any Federal requirements or standards.

Full text of the adoption follows (additions to proposal indicated in boldface with asterisks ***thus***):

11:15-7.5 Bylaws and risk management program; filing requirements

(a) Each risk management group shall file with the Department for approval by the Commissioner, as provided in N.J.S.A. 18A:64-91, its bylaws and risk management program and any amendments thereto. In addition, in order to ensure that the joint liability funds of State college groups are developed and operated in accordance with sound actuarial principles, the initial filing shall contain and be accompanied by the information and documentation specified at N.J.A.C. 11:15-7.6, and such other information the Commissioner may request. All filings shall be in loose-leaf form inserted into standard two-ring or three-ring binders tabbed or otherwise indexed to correspond to the requirements set forth in N.J.A.C. 11:15-7.6. The loose-leaf sheets used shall be eight and one-half inches wide and 11 inches long and punched for two-ring and three-ring binders, as appropriate. The group shall submit ***either*** five copies of a filing in the format set forth in this section ***or, at the filer's option, one copy in the format set forth herein and four additional copies electronically on compact disc or via e-mail to**

admissionspc@dobi.state.nj.us*. All information shall be submitted completely and accurately.

(b) - (g) (No change from proposal.)