

INSURANCE

(a)

DEPARTMENT OF BANKING AND INSURANCE

Notice of Readoption Producer Licensing

Readoption with Technical Changes: N.J.A.C. 11:17

Authority: N.J.S.A. 17:1-8.1, 17:1-15.e, and 17:22A-26 through 57.

Authorized By: Justin Zimmerman, Acting Commissioner,
Department of Banking and Insurance.

Effective Dates: August 8, 2023, Readoption;
September 5, 2023, Technical Changes.

New Expiration Date: August 8, 2030.

Take notice that pursuant to N.J.S.A. 52:14B-5.1, the rules at N.J.A.C. 11:17 were scheduled to expire on September 21, 2023. The rules in this chapter implement the New Jersey Insurance Producer Licensing Act of 2001 (the Producer Act), N.J.S.A. 17:22A-26 through 57. Specifically, N.J.S.A. 17:22A-48 requires the promulgation of N.J.A.C. 11:17.

The Producer Act governs the qualifications and procedures for the licensing of insurance producers, simplifies and organizes the statutory law to improve efficiency, and reduces costs associated with the issuance and renewal of producer licenses.

The Department of Banking and Insurance (Department) has established rules concerning the following subjects codified in this chapter, listed by subchapter.

Subchapter 1 sets forth the purpose and scope of the chapter and definitions of certain words and terms that appear in the chapter.

Subchapter 2 sets forth licensing rules regarding terms of licenses; license authorities; application filing requirements for initial licenses; requirements for licensing of certain limited lines insurance producers; temporary work authority and change in residence status; license renewal; additional authorities; legal and business names; addresses; branch offices; business relationships; continuation of a business of a producer who becomes disabled, dies, or enters the Armed Forces; licensing information requirements; fees; denial of a license; surrender and cancellation of a license; reinstatement after surrender of a license; licensee records; and requests by the Department for disclosure of Social Security numbers from licensed producers and license applicants.

Subchapter 3 sets forth the rules concerning the Department's approval of insurance education programs, the duties and requirements of insurance education providers, penalties for insurance education providers, insurance education and directors and authorized personnel, pre-licensing education, the State licensing examination, and continuing education.

Subchapters 4 and 5 are reserved.

Subchapter 6 sets forth the procedures for the regulation of certain persons, firms, associations, or corporations who act as managing general agents on behalf of insurers. Its sections address the following: the purpose and scope of the subchapter and definitions of certain terms and words used within the subchapter; requirements for managing general agents and insurers who appoint managing general agents; filing requirements; claim processing requirements; record maintenance requirements; and penalties that the Commissioner may impose upon violators of N.J.S.A. 17:22C-1 through 10 or this subchapter. Subchapter 6 also contains an Appendix with two forms for use in the regulation of managing general agents.

Subchapter 7 sets forth the procedures for the regulation of certain persons, firms, associations, or corporations who act as reinsurance intermediaries and for insurers that transact business through a reinsurance intermediary. Sections include the purpose and scope of the subchapter and definitions of certain terms and words used within the subchapter; requirements for reinsurance intermediaries and insurers who transact business through a reinsurance intermediary; filing requirements; record maintenance; and penalties that the Commissioner may impose upon violators of N.J.S.A. 17:22E-1 through 23 or this subchapter. Subchapter 7 also includes an Appendix of three forms for use in the regulation of reinsurance intermediaries.

The Department has undertaken a review of these rules to determine their current effectiveness and viability. The Department examined the continuing relevance of the rules and considered whether they require unnecessary time and expense.

The Department finds that the rules at Chapter 17 continue to provide the insurance industry and licensed producers with appropriate and useful regulatory standards concerning many aspects of producer licensing. The Department has reviewed N.J.A.C. 11:17 and has determined that the existing rules continue to be necessary, reasonable, and proper for the purpose for which they were originally promulgated. Accordingly, pursuant to N.J.S.A. 52:14B-5.1.c(1), these rules are readopted and shall continue in effect for a seven-year period, with the following technical changes to correct the Department's website, update addresses, and correct cross-references. Specifically, the following technical changes are made:

1. At N.J.A.C. 11:17-1.2(b), the Department's website address is corrected to www.dobi.nj.gov;
2. At N.J.A.C. 11:17-2.10(a)7, the contact information of the Office of Consumer Protection Services is updated; and
3. At N.J.A.C. 11:17-6.5(b) and 7.4(c), the contact information of License Processing is updated.

Full text of the technical changes follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 1. GENERAL PROVISIONS

11:17-1.2 Definitions

(a) (No change.)

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

...

"Electronic online submission" means the submission of an initial application, renewal, or any other information required by this chapter submitted online through the Department's website, www.njdobi.org www.dobi.nj.gov, in accordance with the instructions therein.

...

SUBCHAPTER 2. LICENSING RULES

11:17-2.10 Business relationships

(a) The agency relationship between company and producer is subject to the following requirements:

1.-6. (No change.)

7. If the reason for termination involves misconduct by the producer, an additional copy of the notice of cancellation specifying the reason for termination shall be mailed by the insurance company to the Department of Banking and Insurance, c/o Office of Consumer Protection Services, Licensing and Insurance Education, 20 West State Street, PO Box 329, Trenton, NJ 08625-0329, together with an outline of available information and documentation.

8.-9. (No change.)

(b) (No change.)

SUBCHAPTER 6. MANAGING GENERAL AGENTS

11:17-6.5 Filing requirements

(a) (No change.)

(b) Insurers and MGAs required to notify the Commissioner as provided [in] at (a) above shall file a Notice of Managing General Agent Contract in the form set forth as Form A in the Appendix to this subchapter incorporated herein by reference by completing and jointly executing the form and sending it to the Department at the following address:

[Attn: License Processing]

New Jersey Department of Banking and Insurance

Office of Consumer Protection Services

Licensing and Insurance Education

20 West State Street

PO Box [327] 329

Trenton, NJ [08625-0327] 08625-0329

(c) (No change.)

SUBCHAPTER 7. REINSURANCE INTERMEDIARIES

11:17-7.4 Filing requirements

(a)-(b) (No change.)

(c) Reinsurers and their reinsurance intermediaries-managers shall file a Notice of Reinsurance Intermediary-Manager in the form set forth as Form A in the Appendix to this subchapter incorporated herein by reference by completing and jointly executing the form and sending the written contract, a valid check or money order for \$20.00, and all necessary attachments to the Department at the following address:

[Attn: License Processing]

New Jersey Department of Banking and Insurance

Office of Consumer Protection Services**Licensing and Insurance Education****20 West State Street****PO Box [327] 329****Trenton, NJ [08625-0327] 08625-0329**

LABOR AND WORKFORCE DEVELOPMENT

(a)

PUBLIC SAFETY AND OCCUPATIONAL SAFETY AND HEALTH

Occupational Safety and Health Review Commission Rules of Procedure

Readoption: N.J.A.C. 12:112

Proposed: April 3, 2023, at 55 N.J.R. 589(a).

Adopted: July 31, 2023, by Robert Asaro-Angelo, Commissioner, Department of Labor and Workforce Development.

Filed: July 31, 2023, as R.2023 d.100, **without change**.

Authority: N.J.S.A. 34:6A-25 et seq., specifically 34:6A-32.

Effective Date: July 31, 2023.

Expiration Date: July 31, 2030.

Summary of Hearing Officer's Recommendations and Agency's Responses:

The period for submission of written comments regarding the rules proposed for readoption ended on June 2, 2023. The Department of Labor and Workforce Development (Department) received no written comments. Therefore, David Fish, Executive Director of Legal and Regulatory Services for the Department, recommended that the Department proceed with the readoption without change.

Summary of Public Comment and Agency Response:

No comments were received.

Federal Standards Statement

The readopted rules do not contain any standards or requirements that exceed standards or requirements imposed by Federal law. Rather, the readopted rules are, pursuant to N.J.S.A. 34:6A-30, consistent with Federal Occupational Safety and Health Act (OSHA) standards (see 29 U.S.C. §§ 651 et seq.).

Full text of the readopted rules can be found in the New Jersey Administrative Code at N.J.A.C. 12:112.

LAW AND PUBLIC SAFETY

(b)

DIVISION OF CRIMINAL JUSTICE

OFFICE OF PUBLIC INTEGRITY AND ACCOUNTABILITY

Police Training Commission Rules

Readoption with Amendments: N.J.A.C. 13:1

Adopted New Rules: N.J.A.C. 13:1-2.3, 2.4, 2.5, 2.6, 2.7, and 10 through 20

Proposed: April 17, 2023, at 55 N.J.R. 626(a).

Adopted: August 10, 2023, by the Police Training Commission, John F. Cunningham, Administrator.

Filed: August 10, 2023, as R.2023 d.104, **with non-substantial changes** not requiring additional public notice and comment (see N.J.A.C. 1:30-6.3).

Authority: P.L. 2022, c. 65 (N.J.S.A. 52:17B-71 et seq.).

Effective Dates: August 10, 2023, Readoption;

September 5, 2023, Amendments and New Rules.

Expiration Date: August 10, 2030.

Summary of Public Comments and Agency Responses:

The official comment period ended June 16, 2023. The Police Training Commission (Commission) received 197 comments from the following individuals:

Raymond J. Hayducka, South Brunswick Chief of Police
 NJ State Chiefs Executive Board Member
 Michael Somma, Patrolman, Clark PBA Local 125
 Yaakov Fisgus
 Travis Harper
 James Melillo
 Bruce Grayson, Atlantic County resident
 Eric Otten
 Francesca D.
 Matt Rogers, Margate
 AJ Pepe
 David Tropea, Sergeant #278
 Matt Gray
 Kevin Lyons, New Jersey State PBA
 William Sullivan, President New Jersey PBA Local 105
 Geoffrey J. Rejent, Sergeant, Lyndhurst Police Department
 Jim Sharrock, New Jersey Fraternal Order of Police Lodge #4
 Matthew Buonocore, Mahwah PBA #143
 Maria Ponomarenko, Co-Founder and Counsel, and Josh Parker, Senior Counsel, Policing Project, NYU School of Law
 Frank Marshall, Associate General Counsel, New Jersey League of Municipalities (NJLM)
 Rev. Dr. Charles F. Boyer, Founder and Executive Director, and Racquel Romans-Henry, Policy Director, Salvation and Social Justice
 Dr. Mariana Vergara, EdD., Mindfulness in Action Research Institute
 Kristina E. Chubenko, Esq., Chief of Staff, New Jersey Department of Corrections
 Marcia J. Mitolo, Esq., New Jersey Law Enforcement Supervisors Association
 John Glennon, Vice President, Cranbury PBA Local 405
 Kevin Jarvis, Esq., counsel, Atlantic City PBA Local 24, Local 24B, and Atlantic City Superior Officers Association
 Robert R. Cannan, Esq., counsel, State Troopers Fraternal Association of NJ, State Troopers NCO Association of NJ, NJ State Troopers Superior Officers Association
 Colonel Patrick Callahan, Superintendent of the Division of State Police
 Johanna Foster, La'Nae Grant, Bonnie Kerness, Amesika Nyaku, Tia Ryans, and Kathleen Witcher, Edna Mahan Correctional Facility
 Michael Ferraro