

INSURANCE
DEPARTMENT OF BANKING AND INSURANCE
DIVISION OF INSURANCE

Homeowners Comparison Survey

Proposed Amendment: N.J.A.C. 11:4-29.3

Proposed Repeals: N.J.A.C. 11:4-29, Appendices A, B and C

Authorized By: Holly C. Bakke, Commissioner, Department of Banking and Insurance

Authority: N.J.S.A. 17:1-8.1e and 17:1-15e.

Calendar Reference: See Summary below for explanation of exception to the calendar requirement.

Proposal Number: PRN 2004 –159

Submit comments by June 18, 2004 to:

Douglas A. Wheeler, Assistant Commissioner
New Jersey Department of Banking and Insurance
Legislative and Regulatory Affairs
20 West State Street
P.O. Box 325
Trenton, NJ 08625-0325
Fax: (609) 292-0896
E-mail: legsregs@dobi.state.nj.us

The agency proposal follows:

Summary

N.J.A.C. 11:4-29 requires every insurer authorized to provide and sell personal homeowners, tenant and/or condominium coverage in New Jersey to submit to the Department an annual report based on premiums charged for those coverages. This report is due on January 31st each year. Reports are required to be in the format of Appendices A through C of N.J.A.C. 11:4-29.

In order to ensure that all insurers submit this data to the Department in a common format and to facilitate the automated capture of the data, the Department is amending N.J.A.C. 11:4-29.3(a)3 to reflect the fact that it has posted on its website a template of the reports for insurers to use. The template can be found at <http://www.state.nj.us/dobi/ppareports.htm>. The amendment requires insurers to complete the survey in accordance with the instructions and submit it to the Department in Microsoft Excel format by either e-mail or on a disk or CD-ROM.

The Department is also proposing to delete N.J.A.C. 11:4-29.3(a)4 which is no longer necessary given the proposed repeal of Appendices A, B and C, and the posting of the template of the reports on its website.

A 60-day comment period is provided for this notice of proposal and, therefore, pursuant to N.J.A.C. 1:30-3.3(a)5, the proposal is not subject to the provision of N.J.A.C. 1:30-3.1 and 3.2 governing rulemaking calendars.

Social Impact

The proposed amendments will assist consumers by enhancing the efficiency of the process through which premium comparison information is supplied to the Department by insurers. These amendments will facilitate the automated capture of data by the Department. The data is then made available to consumers when selecting homeowners', tenant and/or condominium policies. The repeal of Appendices A, B and C will not affect insurers because the template described above will be posted on the Department's website.

Economic Impact

The Department does not expect that there will be any economic impact to insurers or the Department as a result of these amendments and repeals. Insurers are currently obligated to provide the coverage survey information and the Department each year assembles the data for the benefit of consumers. The repeal of Appendices A, B and C will not affect insurers since the template will be posted on the Department's website.

Federal Standards Statement

A Federal standard analysis is not required because these proposed amendments relate to the filing and review of homeowners premium survey information and are not subject to any Federal requirements or standards.

Jobs Impact

The Department of Banking and Insurance does not anticipate that any jobs will be generated or lost as a result of the proposed amendments.

Agricultural Industry Impact

The Department does not believe that these proposed amendments will have any impact on the agriculture industry in New Jersey.

Regulatory Flexibility Statement

Of the entities to be regulated by these proposed amendments, it is anticipated that only a very small number are “small businesses” as defined in the New Jersey Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq.

The proposed amendments and repeals impose no new reporting or recordkeeping requirements on businesses, large or small. These amendments simply change the means by which the premium survey information is to be provided to the Department to enhance the efficiency of the information submission process. All insurers have this information available and are currently required to file it each year in accordance with the existing rules. The costs of compliance are discussed in the Economic Impact Statement above. Insurers should not need to retain the services of any professionals in order to submit the data electronically as will be required by the amended rules.

Smart Growth Impact

The proposed amendments will not have an impact on the achievement of smart growth or the implementation of the State Development and Redevelopment Plan.

Full text of the proposed repeals can be found at N.J.A.C. 11:4-29, Appendices A, B and C

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

11:4-29.3 Coverage option survey requirements

(a) Every insurer shall prepare and file with the Commissioner a premium survey concerning premiums charged on personal homeowners, tenant and/or condominium coverage in the following manner:

1. - 2. (No change.)
3. [Completed coverage option survey forms shall be submitted to;]

Insurers shall submit the completed survey forms by using the template of the forms posted on the Department's website at <http://www.state.nj.us/dobi/ppareports.htm>. The template shall be completed in accordance with the instructions and submitted in Microsoft Excel format by either e-mail or on disk or CD-ROM to the address below:

New Jersey Department of Banking and Insurance
 Office of Property[/] **and** Casualty
Attn.: Homeowners Annual Comparison Survey
 20 W. State Street
 P.O. Box 325
 Trenton, NJ 08625-0325
E-mail: reports@dobi.state.nj.us

[4 In the preparation and filing of the information required by this subchapter, insurers shall use forms prescribed and provided by the Commissioner. These forms appear in Appendixes A, B and C of this subchapter, which are hereby incorporated by reference as part of this subchapter.]