

SUBCHAPTER 20. APPLICATION FEES

7:13-20.1 Application fees

(a)-(d) (No change.)

(e) The fees for applications under this chapter are set forth in Table 20.1 below:

Table 20.1

APPLICATION FEES

... Additional application fee for stormwater review if a project is a "major development" pursuant to the Stormwater Management Rules (see N.J.A.C. 7:8-1.2)³

	Fee
...	
Additional fee for review of runoff quantity calculations (see N.J.A.C. 7:8-[5.4]5.6)	\$250.00 per acre of land disturbed by the project (or fraction thereof)
...	

¹⁻³ (No change.)

CHAPTER 14A

NEW JERSEY POLLUTANT DISCHARGE ELIMINATION SYSTEM

SUBCHAPTER 24. ADDITIONAL REQUIREMENTS FOR CERTAIN STORMWATER DISCHARGES

7:14A-24.7 Permit application requirements for stormwater discharges associated with industrial activity or small construction activity, and for certain other stormwater DSW

(a) Operating entities for stormwater discharges associated with industrial activity or small construction activity (from point or nonpoint sources), and for industrial or commercial stormwater DSW (from point or nonpoint sources) identified under N.J.A.C. 7:14A-24.2(a)1 or 7, shall apply for an individual NJPDES DSW permit or request authorization under a final stormwater general NJPDES DSW permit in accordance with the deadlines set forth at N.J.A.C. 7:14A-24.4. Any such operating entity that is required or seeks to obtain an individual DSW permit shall submit an individual permit application in accordance with the requirements of N.J.A.C. 7:14A-4 as modified and supplemented by this section and N.J.A.C. 7:14A-24.8. Except as provided in (a)2 and (b) below, this individual permit application shall include (for discharges composed entirely of stormwater) the NJPDES-1 Form, NJPDES Form RF, and NJPDES Form R, Part A (the facility's residual use or residual disposal practices may require the completion of additional sections of Form R). If this individual permit application is for a stormwater discharge mixed with domestic sewage and/or an industrial nonstormwater discharge that requires a NJPDES-DSW permit, the operating entity shall comply with N.J.A.C. 7:14A-4, but is exempt from the requirements of (a)1 and 2 below, and shall not submit NJPDES Form RF.

1. Except as provided in (a)2, [through 4, (a)6] 3, 4, and 6 and (b) below, an individual permit application for a stormwater DSW under this subsection shall include the following:

i.-iv. (No change.)

v. An estimate of the area of impervious surfaces (including paved areas and building roofs) and the total drainage area of each outfall and of each area not served by an outfall and a narrative description of the following on-site features at the facility:

(1)-(5) (No change.)

(6) The location and a description of existing [structural and non-structural control] **stormwater management** measures to reduce pollutants in stormwater runoff; and

(7) (No change.)

vi.-xii. (No change.)

2. Except as provided in (a)5 below, the operating entity for an existing or new stormwater discharge that is associated with construction activity solely under subparagraph 1x of the definition of "stormwater discharge associated with industrial activity" in N.J.A.C. 7:14A-1.2, or solely under the definition of "stormwater discharge associated with small construction

activity" in N.J.A.C. 7:14A-1.2, is exempt from the requirements of (a)1 above and N.J.A.C. 7:14A-4.3(a)11, (a)15 through 22, (c), and (d) and 4.4, and shall not submit NJPDES Form RF. Such operating entity shall, if applying for an individual NJPDES DSW permit, submit the NJPDES-1 Form, NJPDES Form RFC, and NJPDES Form R, Part A (the facility's residual use or residual disposal practices may require the completion of additional sections of Form R). The application shall include the following:

i.-iii. (No change.)

iv. A stormwater pollution prevention plan for the construction activity. This stormwater pollution prevention plan shall include:

(1)-(4) (No change.)

(5) A site map showing:

(A)-(J) (No change.)

(K) Locations of proposed major [structural and nonstructural] best management practices (BMPs) to control stormwater pollutants during and after construction;

(L)-(M) (No change.)

(6)-(9) (No change.)

v.-vi. (No change.)

3.-5. (No change.)

(b)-(c) (No change.)

CHAPTER 38

HIGHLANDS WATER PROTECTION AND PLANNING ACT RULES

SUBCHAPTER 10. FEES

7:38-10.2 Fee tables

(a)-(d) (No change.)

(e) In addition to the fee in (d) above, the fee for a Highlands Preservation Area Approval that requires a stormwater review in accordance with N.J.A.C. 7:38-6.1(d) shall be:

1. (No change.)

2. Additional fee for the review of groundwater recharge calculations, pursuant to N.J.A.C. 7:8-5.4[(a)2](b)1, per land area disturbed by the project:

i.-iv. (No change.)

3. Additional fee for the review of runoff quantity calculations, pursuant to N.J.A.C. 7:8-[5.4(a)3]5.6(b), per land area disturbed by the project:

i.-iv. (No change.)

4. (No change.)

(f)-(k) (No change.)

INSURANCE

(a)

DEPARTMENT OF BANKING AND INSURANCE

DIVISION OF INSURANCE

Administration

Proposed Readoption with Amendments: N.J.A.C.

11:1

Authorized By: Marlene Caride, Commissioner, Department of Banking and Insurance.

Authority: N.J.S.A. 17:1-8.1, 17:1-15.e, 17:17-1 et seq., 17B:17-1 et seq., and 34:15-103 et seq.

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

Proposal Number: PRN 2018-109.

Submit written comments by February 1, 2019, to:

Denise Illes, Chief

Office of Regulatory Affairs

New Jersey Department of Banking and Insurance

20 West State Street
 PO Box 325
 Trenton, NJ 08625-0325
 Fax: 609-292-0896
 E-mail: legsregs@dobi.nj.gov.

The agency proposal follows:

Summary

The Department of Banking and Insurance (Department) proposes to readopt with amendments N.J.A.C. 11:1, Administration. In accordance with N.J.S.A. 52:14B-5.1, N.J.A.C. 11:1 was scheduled to expire on October 24, 2018. As the Department timely filed this notice of readoption with the Office of Administrative Law, the expiration date is extended 180 days to April 22, 2019, pursuant to N.J.S.A. 52:14B-5.1.c(2).

N.J.A.C. 11:1 includes rules related to different areas of insurance, including life/health and property/casualty, and the organization of the Department. Rules concerning the following subjects are codified in this chapter, listed by subchapter.

1. Organization of the Department;
2. Filings: Property and Casualty (filing of rates, manual rules, rating plans, policy forms, and endorsements);
 - 2A. Personal Lines Filings: Rate Filing Review Procedures;
3. Disability Discrimination Grievance Procedure;
4. Unfair Discrimination;
5. Fire and Casualty Insurance;
6. New Jersey Property-Liability Insurance Guaranty Association Assessment Premium Surcharge;
7. Medical Malpractice Reporting Requirements;
- 8.-9. (Reserved);
10. Admission Requirements for Foreign and Alien Property and Casualty Insurers;
11. Conduct Constituting Violations by Brokers and Agents;
12. Corporate and Partnership Licensee Requirements;
- 13.-14. (Reserved);
15. Petitions for Rules; Rulemaking Notice;
16. Requirements for Filing Downward Deviation in Currently Approved Rates;
- 17.-19. (Reserved);
20. Renewal, Cancellation, and Nonrenewal of Commercial and Homeowners Insurance Policies;
21. Loss Reserve Opinions;
- 21A. Actuarial Opinion and Memorandum for Life/Health Insurers;
22. Prohibition of Certain Cancellation and Nonrenewal Activity;
23. (Reserved);
24. Use of Credit Cards, Charge Cards, Debit Cards or Direct Account Deduction (Alternative Payment Method) to Pay Insurance Premiums;
25. Official Department Mailing and Electronic Lists: Address Information;
- 26.-27. (Reserved);
28. Formation of a Domestic Property and Casualty Insurance Corporation (Stock or Mutual) or Reciprocal Insurance Exchange;
- 29.-30. (Reserved);
31. Surplus Lines Insurer Eligibility;
32. Fees and Special Purpose Apportionment;
33. Surplus Lines Insurance: Procurement Procedure;
34. Surplus Lines: Exportable List;
35. Insurance Holding Company Systems;
36. Examination of Insurers;
37. Licensing of Public Adjusters;
38. Oversight of Firemen's Relief Associations;
39. Disclosure of Material Transactions;
40. Recoupment of Fugitive Recovery Expenses by Surety Companies;
41. Surety Bonds for Contracts Involving the State, Local Contracting Units, Boards of Education, State Colleges, and County Colleges;
42. (Reserved);
43. Unusual Hardship for Covered Claims Under the New Jersey Property-Liability Insurance Guaranty Association and New Jersey Surplus Lines Insurance Guaranty Fund;
44. Standards for Safeguarding Customer Information;
45. Notice to Policyholder of Personal Lines Rate Increases;

46. Workers' Compensation Security Fund; and
47. Electronic Transactions.

The rules in this chapter were promulgated to implement the statutory requirements in Titles 17, 17B, and 34 of the New Jersey Statutes. The Department has undertaken a review of these rules at several levels to determine their current effectiveness and viability. These rules continue to provide the insurance industry and consumers with vital information and useful standards concerning many aspects of insurance. The Department believes that the original purpose for each rule, as stated in the rule itself, continues to exist.

The rules in this chapter primarily serve two general purposes in the implementation of statutory law. First, they protect the consumer by addressing issues, such as unfair discrimination; cancellation and nonrenewal of commercial and homeowners' insurance policies; the prohibition of certain cancellation and nonrenewal activity; the use of credit cards, charge cards, debit cards, or direct accounts to pay insurance premiums; the licensing of public adjusters; notice of consumer insurance rate increases; and the safeguarding of customer information.

Second, the rules provide guidance to the insurance industry respecting such business-related matters as rate and form filing approvals, admission requirements for foreign and alien property and casualty insurers, filing revised rates, general requirements of loss reserve opinions, and the formation of domestic insurers.

In addition, this chapter includes many purely administrative provisions, such as Department organization, disability discrimination, grievance procedures, rulemaking procedures, mailing lists, and service fees.

Based on its review, the Department is proposing several amendments. The Department is proposing to amend the Department organizational chart set forth in N.J.A.C. 11:1-1.1 to reflect the current designation of units within the Division of Insurance.

The Department is proposing to amend N.J.A.C. 11:1-2.1(c), which requires that commercial and personal lines filings be submitted only through the System for Electronic Rate and Form Filing (SERFF) of the National Association of Insurance Commissioners (NAIC), effective June 15, 2009. The Department proposes to delete the phrases "on or after June 15, 2009," "effective June 15, 2009," and "after June 14, 2009" as 2009 has long passed and this qualifying language regarding the effective date of the application of the rules is no longer necessary. The rule as proposed to be amended reflects the current requirement that filings may be submitted only through SERFF.

The Department is proposing to amend the definition of "contested case" at N.J.A.C. 11:1-2A.2 to update the cross-reference to N.J.S.A. 52:14B-2.

The Department is proposing to amend N.J.A.C. 11:1-2A.3 to reflect the current address to which items are submitted to the Division of Rate Counsel. The correct address is: Division of Rate Counsel, 140 East Front Street, 4th Floor, PO Box 003, Trenton, NJ, 08625. In addition, the Department is proposing to amend the rule to direct insurers wishing to submit filings or items to the Division of Rate Counsel to www.state.nj.us/dobi/division_insurance/propcas.htm for future changes in its mailing address.

The Department proposes to amend N.J.A.C. 11:1-3.3 and 3.4 to reflect the current mailing address of the Department's ADA Coordinator, which is: New Jersey Department of Banking and Insurance, Office of Human Resources, PO Box 325, Trenton, New Jersey 08625-0325.

The Department proposes to amend N.J.A.C. 11:1-6.3 to remove the requirement that the terms of Property-Liability Insurance Guaranty Association (PLIGA) recoupment Orders be published in the New Jersey Register and require instead that the Orders be posted on the Department's website as that is the current practice and posting the Orders both on the website and in the New Jersey Register would be unnecessary.

The Department proposes to amend N.J.A.C. 11:1-6.4 to correct the address for insurers to file reconciliation forms provided by the Commissioner by March 1 of each year to: New Jersey Department of Banking and Insurance, Office of Solvency Regulation, 20 West State Street, PO Box 325, Trenton, NJ 08625-0325.

The Department proposes to amend N.J.A.C. 11:1-7.3(h), providing that all insurers or insurance associations authorized to issue medical malpractice liability insurance in the State shall notify the Commissioner

of any medical malpractice claim settlement, judgment, or arbitration award involving any practitioner licensed by the State Board of Medical Examiners and insured by the insurer or association by e-mail at medmalclrep@dobi.nj.gov. The proposed amendment removes the option of providing notice to the Department by regular mail. This change reflects the current practice of communication by electronic mailing and reduces unnecessary paper waste.

The Department is proposing to amend N.J.A.C. 11:1-7.4 to delete the cross-reference to N.J.S.A. 45:9-19.3, as that statute has been repealed and, thus, is no longer applicable.

The Department proposes to amend N.J.A.C. 11:1-15.2(b) and 15.5(b)1 to update "Legislative and Regulatory Affairs" to "Office of Regulatory Affairs" to reflect the correct name of the Office within the Department. In addition, the Department is proposing to amend N.J.A.C. 11:1-15.5(b)1 to update the zip code of the mailing address of the Office of Regulatory Affairs to 08625-0325.

The Department is proposing to amend N.J.A.C. 11:1-20.1(a) to delete "on or after November 7, 1986," regarding the effective date of the rules, as this is no longer necessary. Similarly, the Department proposes to amend N.J.A.C. 11:1-20.1(b) to delete the reference to the effective date "January 17, 1995" with respect to the applicability of the rules to homeowners insurance, as the date has long passed.

The Department proposes to amend N.J.A.C. 11:1-20.2(h) to replace the reference to the "Division of Enforcement and Consumer Protection" with "Office of Consumer Protection Services" as the Division has been renamed and to correct the mailing address.

The Department proposes to amend N.J.A.C. 11:1-20.3 to remove the phrases "issued or renewed on or after January 6, 1987," and "issued on or after March 18, 1995," as all commercial insurance policy forms and all homeowners' insurance policy forms must now contain the provisions set forth by this section.

The Department also proposes to amend N.J.A.C. 11:1-20.11(b) by inserting "or she" in reference to the Commissioner, to be gender neutral as a matter of form.

The Department proposes to amend N.J.A.C. 11:1-22.2(b)5, which requires block non-renewal plans filed pursuant to paragraph (a)2 to include the total market share of nonrenewing company or companies by line of insurance. The Department proposes that such plans include the number of exposures by designated zip code pursuant to N.J.A.C. 11:2-42 Appendix E, rather than those designated in the "WindMAP" as the WindMAP has been repealed and to reflect the cross-reference to the applicable zip codes. Similarly, the Department is proposing the same amendments to N.J.A.C. 11:1-22.2(c)5 for the same reasons. In addition, the Department is proposing to amend N.J.A.C. 11:1-22.2(b)6 and (c)6 to update the cross-reference to N.J.A.C. 11:3-8.6(b)1.

The Department proposes to amend N.J.A.C. 11:1-22.5(b) by inserting "or she" in reference to the Commissioner to be gender neutral as a matter of form.

The Department proposes to amend N.J.A.C. 11:1-25.3(e), to update "Office of Legislative and Regulatory Affairs" to "Office of Regulatory Affairs" to reflect the correct name of the Office. The Department also proposes to amend the rule to reflect the Department's current website www.state.nj.us/dobi/index.html.

The Department proposes to amend N.J.A.C. 11:1-28.6 to update "Financial Exams Division" to "Office of Solvency Regulation" to reflect the correct name of the Office.

The Department proposes to amend N.J.A.C. 11:1-31.6 to reflect the Department's current website www.state.nj.us/dobi/index.html.

Finally, the Department is proposing to amend N.J.A.C. 11:1-32.4(b)20 to delete the cross-reference to N.J.S.A. 17:22A-17 as that statute has been repealed and, thus, is no longer applicable, and replace it with the correct citation, N.J.S.A. 17:22A-45.

The Department believes that through readoption with amendments, these rules will continue to provide the regulatory framework necessary for the Department to ensure that insurers and other regulated entities continue to comply with the insurance laws and other applicable laws of this State and to provide for consistent evaluation and oversight of these entities by the Department. Moreover, through readoption with amendments, these rules will continue to provide insurers and other regulated entities with guidance and specific standards for compliance

with New Jersey laws, thereby avoiding confusion regarding such requirements. This will benefit insurers, other regulated entities, policyholders, the market, and the public generally.

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, this notice is excepted from the rulemaking calendar requirement.

Social Impact

As noted above, the rules proposed for readoption with amendments address areas of concern to consumers and protect them from potential unfair trade practices with regard to insurance and its solicitation. The rules concerning agent and broker avoidance of debt help ensure that consumers are protected from misconduct by insurance agents. The rules concerning disability discrimination establish a designated coordinator whose duties include assuring that the Department complies with and carries out its responsibilities under the Americans with Disabilities Act. The rules concerning cancellation and non-renewal of commercial insurance policies protect insureds from invalid non-renewals and cancellations, while providing insurers with the flexibility to cancel and non-renew policies due to conditions that warrant such actions. The rules governing public adjusters establish procedures for the examination, licensing, and conduct of persons acting as public adjusters in this State and further the protection of consumers. Finally, the rules governing notice of consumer insurance rate increases help ensure that the policyholders are informed of pending action by an insurer that may impact their rates.

The industry also relies on the presence and effectiveness of these rules in its operation. Insurers are provided with guidance in regulated actions, including: the filing of rates, manual rules, rating plans, policy forms, and endorsements; procedures by which member insurers may recoup assessments paid to the New Jersey Property Liability Insurance Association pursuant to N.J.S.A. 17:30A-8a(3); admission procedures, requirements, and standards governing the application of a foreign or alien insurer to do property/casualty business in this State; and the procedures for the formation of a domestic property/casualty insurer or a reciprocal exchange.

The rules in this chapter enable the Department to fulfill its regulatory duties under law. Failure to readopt these rules would hinder the Department's regulatory powers and could disrupt established relations between insurers and the general public, and between these two groups and the Department. The protections that these rules afford the consumer and the operational guidance that they afford the insurance industry mandate their continued existence both to implement statutory provisions and to foster and promote a sound and effective regulatory policy.

The majority of the proposed amendments are technical in nature and ensure that cross-references in the rules are up to date, references to Department units are accurate, and mailing addresses provided are accurate. Thus, the proposed amendments should have a beneficial social impact.

Economic Impact

The failure to readopt this chapter would require the insurance industry to perform many significant statutory functions without guidance from the Department. This would impose costs on the industry since current compliance requirements would not be readily available to the industry. The industry has invested a great amount of time and resources to implement practices that enable insurers and other regulated entities to operate in compliance with the Department's current procedures. This results in benefits for both the insurer and the general public.

Insurers and other regulated entities will be required to incur any costs associated with continued compliance with the requirements set forth in this chapter. These rules impose costs on insurers who must file for rate and form approval pursuant to Department guidelines. Foreign and alien insurers will also continue to incur costs in seeking admission to do business in this State. In addition, costs will be incurred in the application for a certificate of authority as a domestic insurer in this State. None of these costs are new; the rules proposed for readoption with amendments merely restate and continue the existing requirements. The majority of the proposed amendments are either technical in nature or reduce paper filing requirements. However, they do not impose no new requirements. Professional services required to comply with the rules proposed for

readoption will continue to include actuarial, accounting, legal, and information technology services. Entities subject to the rule should already have contracted for or employ in-house the required services.

These rules also have a beneficial impact on consumers. The rules concerning broker and agent misconduct and the public adjuster licensing and standards of conduct provisions help to protect consumers. In addition, rules concerning nonrenewal and cancellation provide requirements for notice to insureds of such actions and require insurers to set forth permissible reasons for cancellation and nonrenewal. The rules governing rate and rule filings enable the Department to ensure that insurers comply with statutory prohibitions against using rates that are excessive, inadequate, or unfairly discriminatory.

The readoption of the current rules will enable the Department to continue to effectively monitor and regulate insurance matters consistent with its current fiscal resources and capabilities. The Department's continued use of procedures that have proven effective over time provides administrative economies, which favorably affects insurers and other regulated entities who, based upon statutory law, are assessed to fund its insurance operations.

For the reasons set forth above, any costs associated with continuing the rules are outweighed by the benefits to be achieved.

Throughout the years, the Department has carefully monitored, and continues to monitor, the impact of the rules in this chapter through communication with the insurance industry and the public. The Department is unaware of any provision of these rules that imposes undue or unnecessarily onerous financial burdens on consumers or the insurance industry. The readoption of this chapter with amendments will not impose any additional economic impact on insurers, other regulated entities, or consumers in that the readoption will continue long-standing requirements.

Federal Standards Statement

A Federal standards analysis is not required because the rules proposed for readoption with amendments are not subject to any Federal requirements or standards, with the exception of surplus lines insurance. Aspects of surplus lines insurance are subject to the Federal Dodd-Frank Wall Street Reform and Consumer Protection Act, P.L. 111-203 (Act). The following rules are affected:

N.J.A.C. 11:1-31, governing surplus eligibility, and N.J.A.C. 11:1-33, governing surplus procurement procedures. Section 524 of the Act provides that a state may not impose eligibility requirements on, or establish eligibility criteria for, nonadmitted insurers domiciled in the United States, except in conformance with sections 5A(2) and 5C(2)(a) of the NAIC Non-Admitted Insurance Model Act, unless the state has adopted nationwide uniform procedures developed in accordance with the Act. In addition, no state may prohibit a surplus lines producer from placing nonadmitted insurance with, or procuring nonadmitted insurance from, a nonadmitted insurer domiciled outside of the United States that is listed on the Quarterly Listing of Alien Insurers maintained by the International Insurers Department of the NAIC. N.J.A.C. 11:1-31 imposes eligibility requirements on all insurers seeking to become eligible. Accordingly, under the Act, this subchapter would continue to apply only to an insurer not domiciled in the United States that is not listed on the Quarterly Listing of Alien Insurers.

In all instances, the Department recognizes that the Act controls and will apply the rules consistent therewith.

Jobs Impact

The Department does not believe that the rules proposed for readoption with amendments will cause any jobs to be generated or lost.

The Department invites interested parties to submit any data or studies concerning the jobs impact of the proposed readoption together with their written comments on other aspects of the proposal.

Agricultural Industry Impact

The rules proposed for readoption with amendments will have no impact on the agricultural industry in New Jersey.

Regulatory Flexibility Analysis

Few, if any, insurers regulated by the rules in this chapter are "small businesses" as defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. Several rules (for example, those which address conduct

constituting violations by brokers and agents, and those providing for the regulation of public adjusters) relate to the conduct of insurance producers and public adjusters, most of whom are "small businesses." Many subchapters, such as those addressing admission requirements and those relating to surplus lines insurers, specifically address insurers that are not located in this State and thus are not "small businesses."

Numerous recordkeeping, reporting, and compliance requirements will continue to be imposed by this chapter, which include the requirements concerning rate and form filings, loss reserve opinions, and medical malpractice reporting requirements. The Department has determined that all such compliance, recordkeeping, and reporting requirements continue to be reasonable and necessary for the purposes for which they were originally proposed. These rules continue to apply to all insurers, insurance producers, or public adjusters, as the case may be, without regard to size, since they implement statutory provisions and/or regulatory policies, including the protection of consumers, that allow for no such exceptions. The Department is unaware of any provisions of these rules that are excessively onerous to "small businesses" or unnecessary. The Department notes that the readoption of these rules with amendments will impose no new recordkeeping, reporting, or other compliance requirements, but merely continue those requirements that have been in existence.

Future annual costs of compliance with these rules are not expected to differ from concurrent annual costs, as explained in the Economic Impact above. The use of professional services currently required by these rules will continue to be necessary as noted in the Economic Impact above.

Housing Affordability Impact Analysis

The rules proposed for readoption and the proposed amendments will not have any impact on the affordability of housing in this State and are unlikely to evoke a change in the average costs associated with housing because the rules proposed for readoption with amendments relate to the regulation of insurers, producers, and public adjusters.

Smart Growth Development Impact Analysis

The rules proposed for readoption with amendments will not have an impact on smart growth in this State and there is an extreme unlikelihood that the rules proposed for readoption with amendments would evoke a change in housing production in Planning Areas 1 and 2, or within designated centers, under the State Development and Redevelopment Plan in New Jersey because the rules proposed for readoption with amendments relate to the regulation of insurers, producers, and public adjusters.

Racial and Ethnic Community Criminal Justice and Public Safety Impact

The Department has evaluated this rulemaking and determined that it will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Accordingly, no further analysis is required.

Full text of the rules proposed for readoption may be found in the New Jersey Administrative Code at N.J.A.C. 11:1.

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

SUBCHAPTER 1. ORGANIZATION

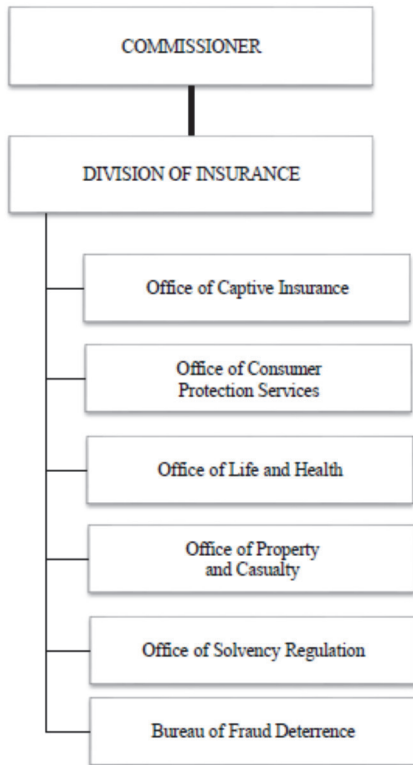
11:1-1.1 Organization

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

(Office of Administrative Law Note: An amendment to the Department's organizational chart cannot be published using standard addition and deletion format. The organizational chart reproduced below includes the amendment and is intended to replace the chart in the current rule.)

DEPARTMENT OF BANKING AND INSURANCE

[P.O.] PO Box [46005] 003
[Newark] Trenton, NJ [07101] 08625



SUBCHAPTER 3. DISABILITY DISCRIMINATION GRIEVANCE PROCEDURE

11:1-3.3 Required ADA notice
In addition to any other advice, assistance, or accommodation provided, a copy of the following notice shall be given to anyone who inquires regarding the agency’s compliance with the ADA or the availability of accommodation [which] **that** would allow a qualified individual with a disability to receive services or participate in a program or activity provided by the agency.

AGENCY NOTICE OF ADA PROCEDURE

The agency has adopted an internal grievance procedure providing for prompt and equitable resolution of grievances alleging any action prohibited by the U.S. Department of Justice regulations implementing Title 11 of the Americans with Disabilities Act. Title 11 states, in part, that “no otherwise qualified disabled individual shall, solely by reason of such disability, be excluded from participation in, be denied the benefits of or be subjected to discrimination” in programs or activities sponsored by a public entity.

Rules describing and governing the internal grievance procedure can be found in the New Jersey Administrative Code, N.J.A.C. 11:1-3. As those rules indicate, grievances should be addressed to the agency’s designated ADA Coordinator, who has been designated to coordinate ADA compliance efforts, at the following address:

ADA Coordinator
New Jersey Department of Banking and Insurance
Office of Human Resources
PO Box [329] 325
Trenton, New Jersey [08629-0329] **08625-0325**

1.-7. (No change.)

11:1-3.4 Designated ADA coordinator

(a) The designated coordinator of ADA compliance and complaint investigation for the agency is:

ADA Coordinator
New Jersey Department of Banking and Insurance
Office of Human Resources
PO Box [329] 325
Trenton, New Jersey [08629-0329] **08625-0325**

(b)-(c) (No change.)

SUBCHAPTER 6. NEW JERSEY PROPERTY-LIABILITY INSURANCE GUARANTY ASSOCIATION ASSESSMENT PREMIUM SURCHARGE

11:1-6.3 Establishment of Association assessment premium surcharge

(a) Upon a determination by the Commissioner that a surcharge on premiums is necessary to permit member insurers to recoup assessments paid to the Association pursuant to N.J.S.A. 17:30A-8a(3), he or she shall order within 30 days of the due date of an assessment that a surcharge be imposed on net direct written premiums for policies to which N.J.S.A. 17:30A-1 et seq., applies. [The essential terms of the Order shall be published in the New Jersey Register] **The Order will be posted on the Department’s current website, at www.state.nj.us/dobi/index.html.**

(b)-(k) (No change.)

11:1-6.4 Reporting requirements

All insurers collecting a surcharge established pursuant to this subchapter shall file by March 1 of each year a reconciliation form on a form to be provided by the Commissioner. The form shall show the assessments paid to the Association and the surcharges collected by the insurer, if any, during the calendar year immediately preceding. This information shall be forwarded to:

New Jersey Department of **Banking and Insurance**
[Division of Financial Examinations] **Office of Solvency Regulation**

SUBCHAPTER 2. FILINGS: PROPERTY AND CASUALTY

11:1-2.1 Purpose and scope

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

(c) All commercial and personal lines filings submitted to the Department [on or after June 15, 2009] shall be submitted through the use of the NAIC electronic filing system SERFF (System for Electronic Rate and Form Filing). [Effective June 15, 2009, the Office of Property and Casualty will no longer accept any rate, rule or policy form filings submitted to the Department other than through SERFF.] Any such filings received [after June 14, 2009] in any method other than through SERFF will be closed without action and returned to the company without review.

SUBCHAPTER 2A. PERSONAL LINES FILINGS: RATE FILING REVIEW PROCEDURES

11:1-2A.2 Definitions

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

...
“Contested case” means any proceeding so defined in N.J.S.A. 52:14B-2[(b)], specifically including a personal lines prior approval rate filing when a request for a hearing has been made by any party or when the Commissioner determines that a hearing on the filing is necessary.
...

11:1-2A.3 General filing provisions

(a)-(e) (No change.)

(f) Any filing or other item submitted to the Division of Rate Counsel shall be sent to the Division of Rate Counsel at the [following] address **below[.]. Refer to the Department’s website at www.state.nj.us/dobi/division_insurance/propcas.htm for updates to the address.**

Division of Rate Counsel
[31 Clinton] 140 East Front Street, [11th] 4th Floor

20 West State Street
PO Box 325
Trenton, NJ 08625-0325

SUBCHAPTER 7. MEDICAL MALPRACTICE REPORTING REQUIREMENTS

11:1-7.3 Medical malpractice reporting requirements

(a)-(g) (No change.)

(h) The notice referred to in (g) above shall be delivered to the Department electronically [or by regular mail] no later than seven days after the settlement, judgment, or arbitration award is officially agreed to or entered. The notice shall be [addressed to the Department at:] **e-mailed to the Department at medmalclrep@dobi.nj.gov.**

[Med Mal Claim Reporting
Department of Banking and Insurance
Consumer Protection, Market Analysis Unit
PO Box 329
Trenton, NJ 08625
Email: medmalclrep@dobi.state.nj.us]

11:1-7.4 Confidentiality

All information or documentation submitted to the Panel pursuant to this subchapter is confidential, except for release to a government agency under certain circumstances and conditions as set forth at N.J.S.A. 45:9-[19.3 and] 19.10.

SUBCHAPTER 15. PETITIONS FOR RULES; RULEMAKING NOTICE

11:1-15.2 Procedure for petitioner

(a) (No change.)

(b) Petitions shall be sent to the following address:
New Jersey Department of Banking and Insurance
[Legislative and] **Office of Regulatory Affairs**
Attn: Rulemaking Petitions
PO Box 325
Trenton, NJ 08625-0325

(c) (No change.)

11:1-15.5 Sufficient public interest for the purposes of extending the comment period or granting a public hearing

(a) (No change.)

(b) In determining whether sufficient public interest has been demonstrated for purposes of conducting a public hearing pursuant to N.J.A.C. 1:30-5.5, the Commissioner shall consider the application of an interested person that has been submitted on a form prescribed by the Commissioner. Such application shall be submitted within 30 days following the publication of the notice of proposal in the New Jersey Register.

1. A person interested in having a public hearing held on a notice of proposal shall submit an application on a form prescribed by the Commissioner, to [Legislative and] **Office of Regulatory Affairs**, Department of Banking and Insurance, 20 West State Street, PO Box 325, Trenton, NJ 08625-[0896]0325. The application shall contain the following information:

i.-iii. (No change.)

(c)-(e) (No change.)

SUBCHAPTER 20. RENEWAL, CANCELLATION, AND NONRENEWAL OF COMMERCIAL AND HOMEOWNERS INSURANCE POLICIES

11:1-20.1 Scope

(a) This subchapter shall apply to all commercial insurance policies [which] **that** are in force, issued, or renewed [on or after November 7, 1986] by companies licensed to do business in this [state] **State** except workers' compensation insurance, employers liability, fidelity, surety, performance and forgery bonds, ocean marine and aviation insurance, and accident and health insurance and any policy written by a surplus lines insurer. With the exception of N.J.A.C. 11:1-20.3 and 11:1-20.4(d), this

subchapter shall not be applicable to multi-state location risks or policies subject to retrospective rating plans.

(b) This subchapter shall also apply to all policies of homeowners insurance as defined at N.J.A.C. 11:2-42.2 [which are in force, issued, or renewed on or after January 17, 1995].

(c)-(d) (No change.)

11:1-20.2 Renewal, nonrenewal, and cancellation notice requirements

(a)-(g) (No change.)

(h) All notices of nonrenewal and cancellation, except those for nonpayment of premium, must contain a statement [which] **that** shall be clearly and prominently set out in boldface type or other manner [which] **that** draws the reader's attention advising the insured that the insured may file a written complaint about the cancellation or nonrenewal with the New Jersey Department of Banking and Insurance, [Division] **Office** of [Enforcement and] Consumer Protection **Services**, PO Box [325] **329**, Trenton, New Jersey 08625-[0325]0329. The statement also shall advise the insured to contact the Department of Banking and Insurance immediately, in the event he or she wishes to file a complaint.

(i)-(m) (No change.)

11:1-20.3 Policy provisions relating to cancellation or nonrenewal

(a) All commercial insurance policy forms [issued or renewed on or after January 6, 1987,] and all homeowners' insurance policy forms [issued on or after March 18, 1995] must contain a provision setting forth the following statement:

Pursuant to New Jersey law, this policy cannot be cancelled or nonrenewed for any underwriting reason or guideline which is arbitrary, capricious or unfairly discriminatory or without adequate prior notice to the insured. The underwriting reasons or guidelines that an insurer can use to cancel or nonrenew this policy are maintained by the insurer in writing and will be furnished to the insured and/or the insured's lawful representative upon written request.

This provision shall not apply to any policy [which] **that** has been in effect for less than 60 days at the time notice of cancellation is mailed or delivered, unless the policy is a renewal policy.

1. (No change.)

11:1-20.11 Penalties

(a) (No change.)

(b) As an alternative or in addition to the penalties set forth in (a) above, the Commissioner, where he **or she** deems such action will further the purposes of this subchapter, may require immediate reinstatement without lapse of any policy [which] **that** has been cancelled or nonrenewed in violation of the provisions of this subchapter.

1.-2. (No change.)

SUBCHAPTER 22. PROHIBITION OF CERTAIN CANCELLATION AND NONRENEWAL ACTIVITY

11:1-22.2 Prohibitions

(a) (No change.)

(b) A plan filed pursuant to (a)2 above shall contain the following information:

1.-4. (No change.)

5. The total market share of the nonrenewing company or companies by line of insurance. For homeowners' policies, this shall include the number of exposures by [WindMAP] **designated** zip codes **set forth in N.J.A.C. 11:2-42.9(b) (Appendix E)** and, separately, any additional zip codes that fall within a company's definition of a coastal area;

6. A copy of the proposed nonrenewal notice. The notices shall not include the statements otherwise required pursuant to N.J.A.C. 11:1-20.2(h) and 11:3-[8.3(e)2i]8.6(b)1, as applicable, related to filing complaints with the Department concerning the non-renewal. A sample of such notice shall be posted on the Department's [web site] **website** at <http://www.state.nj.us/dobi/>, and may be modified by the Department from time to time;

7.-9. (No change.)

(c) A plan filed pursuant to (a)3 above shall contain the following information:

1.-4. (No change.)

5. The total market share of the nonrenewing company or companies by line of insurance. For homeowners' policies, this shall include the number of exposures by [WindMAP] **designated** zip codes **set forth in N.J.A.C. 11:2-42.9(b) (Appendix E)** and, separately, any additional zip codes that fall within a company's definition of a coastal area;

6. A copy of the proposed cancellation notice. The notices shall not include the statements otherwise required pursuant to N.J.A.C. 11:1-20.2(h) and 11:3-[8.3(e)2]**8.6(b)1**, as applicable, related to filing complaints with the Department concerning the cancellation. A sample of such notice shall be posted on the Department's [web site] **website** at <http://www.state.nj.us/dobi/>, and may be modified by the Department from time to time;

- 7.-9. (No change.)
- (d)-(f) (No change.)

11:1-22.5 Penalties

(a) (No change.)
 (b) As an alternative or in addition to the penalties set forth in (a) above, the Commissioner, where he **or she** deems such action will further the purposes of this subchapter, may require immediate reinstatement without lapse of any policy [which] **that** has been nonrenewed or cancelled in violation of the provisions of this subchapter.

- 1.-2. (No change.)

SUBCHAPTER 25. OFFICIAL DEPARTMENT MAILING AND ELECTRONIC MAILING LISTS: ADDRESS INFORMATION

11:1-25.3 Official mailing and electronic mailing lists; change in address information

(a)-(d) (No change.)
 (e) Each insurer or other regulated entity shall submit an e-mail address to the Department on an e-mail address designation form as prescribed by the Department. The form shall be submitted no later than [September 4, 2004, or] the date the insurer or other regulated entity is granted a Certificate of Authority or other notice of authorization to do business in New Jersey, whichever is later. Subsequent to its receipt of the e-mail address, the Department shall transmit all general orders, bulletins, and public notices to the insurer or other regulated entity via e-mail to that e-mail address or through regular mail to the insurer or other regulated entity at its official mailing address. Upon any change in an e-mail address previously filed with the Department, the insurer or other regulated entity shall, within 10 days, notify the Department in writing of such a change by submitting a new e-mail address designation form. The initial and every subsequent submission of the e-mail address designation form shall be made under cover of a letter, on original company letterhead and signed by an officer of the company, stating that the contents of the form are accurate. The form and accompanying letter shall be sent to:

New Jersey Department of Banking and Insurance
 Office of [Legislative and] Regulatory Affairs
 PO Box 325
 Trenton, NJ 08625-0325

The form can be obtained from the Department's website at: www.njdobi.org www.state.nj.us/dobi/index.html.

The form shall contain a space for an insurer or other regulated entity to indicate that it does not have e-mail capability.

SUBCHAPTER 28. FORMATION OF A DOMESTIC PROPERTY AND CASUALTY INSURANCE CORPORATION (STOCK OR MUTUAL) OR RECIPROCAL INSURANCE EXCHANGE

11:1-28.6 Additional information requirements

(a) (No change.)
 (b) All filings required by this subchapter or other information reasonably deemed necessary by the Commissioner or otherwise required by law shall be sent to:

New Jersey Department of Banking and Insurance
 [Financial Exams Division] **Office of Solvency Regulation**
 PO Box 325
 Trenton, New Jersey 08625-0325

Attention: Formation of domestic companies

SUBCHAPTER 31. SURPLUS LINES INSURER ELIGIBILITY

11:1-31.6 Withdrawal of eligibility

- (a) (No change.)
- (b) The Commissioner shall notify all licensed surplus lines agents in this State of withdrawals of eligibility made pursuant to this section. Such notification may be made by posting such information on the Department's website, www.njdobi.org www.state.nj.us/dobi/index.html.
- (c) (No change.)

SUBCHAPTER 32. FEES AND SPECIAL PURPOSE APPORTIONMENT

11:1-32.4 Fees; general

- (a) (No change.)
- (b) The following fees shall be paid for services provided by the Commissioner in addition to those set forth in (a) above as follows:
 - 1.-19. (No change.)
 - 20. The costs to the Department for investigation and prosecution of violations of the New Jersey Insurance Producer Licensing Act pursuant to N.J.S.A. 17:22A-[17—actual]**45—actual** staff time rounded to the nearest quarter hour at the rate of \$50.00 per hour; and
 - 21. (No change.)

PUBLIC UTILITIES

(a)

BOARD OF PUBLIC UTILITIES

Renewable Energy and Energy Efficiency

Proposed Amendments: N.J.A.C. 14:8-2.2, 2.3, 2.4, 2.10

Authorized By: The New Jersey Board of Public Utilities, Joseph L. Fiordaliso, President, Mary-Anna Holden, Dianne Solomon, Upendra J. Chivukula, and Robert M. Gordon, Commissioners.

Authority: N.J.S.A. 48:2-1 et seq., in particular 48:2-13, 48:3-51, and 48:3-87.

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

BPU Docket Number: QX18101098.

Proposal Number: PRN 2018-110.

Comments may be submitted through February 1, 2019, by e-mail in **Microsoft Word format**, or in a format that can be easily converted to Word, to: rule.comments@bpu.nj.gov, or on paper to:

Aida Camacho-Welch, Secretary
 New Jersey Board of Public Utilities
 ATTN: BPU Docket Number: QX18101098
 44 S. Clinton Ave., 3rd Floor, Suite 314
 PO Box 350
 Trenton, NJ 08625-0350

The agency proposal follows:

Summary

The Board of Public Utilities ("BPU" or "Board") is proposing amendments to N.J.A.C. 14:8-2.2, 2.3, 2.4, and 2.10 to reconcile the current rules to the provisions contained in P.L. 2018, c. 17 (Clean Energy Act). There are several provisions in the Clean Energy Act that require rulemaking proceedings, including modifications to the existing solar Renewable Portfolio Standard (solar RPS) and Solar Alternative Compliance Payment (SACP) schedules and reducing the Solar Renewable Energy Certificate (SREC) qualification life of a solar electric generation facility. Furthermore, the Clean Energy Act requires that certain solar energy project applications must post notice escrow and be approved, conditionally approved, or disapproved by the Board no later