



October 15, 2009

NEW JERSEY PROPOSES CHANGES TO THE PERSONAL LINES RATE FILING REVIEW PROCEDURES

BACKGROUND

The New Jersey Department of Banking and Insurance (DOBI) is proposing to clarify its rules regarding Public Advocate review and policyholder notice of certain personal lines rate filings. The current rules exempt prior approval rate filing of 7% or less from these procedures. However, the rules are not clear when an insurer makes two or more rate filings in a 12 month period with a cumulative effective of greater than 7%.

The DOBI is proposing to amend Regulations 11:1-2A.1 and 45.1, and 11:3-18 to indicate that when insurers file more than one rate filing in a 12 month period, the filing that causes the overall effect to exceed 7% will be subject to Public Advocate review and policyholder notice. This proposal is PRN 2009-291.

COMMENTS

If you wish to comment on this proposal, you should submit your comments by November 20, 2009 to the address shown in PRN 2009-291.

AVAILABILITY

The proposed regulation may be accessed on the DOBI's website at:
http://www.state.nj.us/dobi/proposed/prn09_291.pdf

QUESTIONS

Contact Jan Kozlowski at (800) 935-6900.