



State of New Jersey
DEPARTMENT OF BANKING AND INSURANCE
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Commissioner

BULLETIN NO. 13-13

**TO: ALL AUTHORIZED OR ADMITTED INSURERS TRANSACTING
BUSINESS IN NEW JERSEY AND OTHER INTERESTED PARTIES**

FROM: KENNETH E. KOBYSLOWSKI, COMMISSIONER

**RE: NOTICE OF APPLICATION FOR APPROVAL AS A CERTIFIED
REINSURER PURSUANT TO N.J.A.C. 11:2-28**

N.J.A.C. 11:2-28, which sets forth rules to implement the credit for reinsurance requirements prescribed by N.J.S.A. 17:51B-1 et seq., was amended effective September 4, 2012 to implement amendments to the statute at N.J.S.A. 17:51B-2f. The recently adopted new rules and amendments are based on the applicable model statute and rules adopted by the National Association of Insurance Commissioners ("the NAIC") to provide for approval as certified reinsurers certain reinsurers not meeting the requirements in N.J.S.A. 17:51B-2a through -2d. Although a state is not required to provide for certified reinsurers, if a state chooses to do so its requirements governing the approval of such entities must be in accordance with the applicable NAIC models in order for the state to maintain accreditation by the NAIC.

Section 8B(1) of NAIC Model # 786 provides that the Commissioner of Banking and Insurance ("the Commissioner") shall post a notice on the Department of Banking and Insurance ("the Department") website promptly upon receipt of an application for approval as a certified reinsurer, and include instructions on how members of the public may respond to the application. The section further provides that the Commissioner shall not take any action on the application until at least 30 days after the posting of the notice referenced above. At the time it proposed the recently adopted new rules and amendments to N.J.A.C. 11:2-28, the Department was not aware that this provision, which relates to a procedural matter, as opposed to a substantive standard, would be required as an essential element for NAIC accreditation. For that reason, the Department did not include a similar provision in its recently adopted proposal. The Department has now learned that this provision is so required. N.J.A.C. 11:2-28 currently includes no directives on the Department providing notice to the public on its receipt of such applications or on the timeframe within which it must act on such applications.

Accordingly, the Department is advising insurers and interested parties that, promptly upon its receipt of an application from an insurer to be designated as a certified reinsurer pursuant to N.J.A.C. 11:2-28.7B, the Department shall post on its website, dobi.nj.gov, notice of such application. Interested parties may respond in writing to the application within 30 days of the date of such posting, directed to: Richard Schlesinger, Chief of Reinsurance and Surplus Lines, at the Department's address set forth in the letterhead above, or via email at

dobi.reinsurance@dobi.state.nj.us. The Department shall take no action on an application for certification prior to the expiration of the 30-day period referenced above.

The Department intends to propose amendments to N.J.A.C. 11:2-28 in the future to codify this procedure.

May 30, 2013
Date



Kenneth E. Kobylowski
Commissioner

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