

INSURANCE
DEPARTMENT OF BANKING AND INSURANCE
DIVISION OF INSURANCE

Eligible Persons Qualifications and Automobile
Insurance Eligibility Points Schedule

Adopted Amendment: N.J.A.C.11:3-34.5

Proposed: January 22, 2002 at 34 N.J.R. 368(a)

Adopted September 16, 2002 by Holly C. Bakke, Commissioner,
Department of Banking and Insurance

Filed September 16, 2002, as R. 2002 d. 330, **without change**

Authority: N.J.S.A. 17:1-8.1, 17:1-15e and 17:33B-13 and 14

Effective Date: October 7, 2002

Expiration Date: January 4, 2006

Summary of Public Comments and Agency Responses:

The Department received four written comments on the proposal: one from State Farm Insurance Company; one from the Insurance Council of New Jersey; one from the American Insurance Association; and one from the Independent Insurance Agents of New Jersey.

COMMENT: One commenter suggested that N.J.A.C. 11:3-34.5(f) should be amended to cover all violations for which the Division of Motor Vehicles assesses points. Therefore, whenever the Division of Motor Vehicle assesses points on a drivers license for a motor vehicle violation, the same number of automobile insurance eligibility points will be assessed.

RESPONSE: N.J.A.C. 11:3-34.5(d) provides that the automobile insurance eligibility points set forth on Schedule 2 of the Appendix represent motor vehicle points established by the New Jersey Division of Motor Vehicles by N.J.A.C. 13:19-10.1, which is incorporated by reference. Any additions, deletions or modifications to N.J.A.C. 13:19-10.1 shall likewise be incorporated as of the effective date of amendment. Schedule 2 is included in the Appendix for convenience. The Department proposed this amendment to clarify the application of the rules pertaining to moving violations not specifically referenced in the schedule found in the Appendix. This amendment did not create a new category of violations for the purpose of assessing automobile insurance eligibility points.

COMMENT: One commenter suggested that the amendment of N.J.A.C. 11:3-34.5 to provide that subchapter 34 Appendix Schedule 1 and 2 shall be consulted for identification and determination of the specific number of insurance eligibility points for moving violations creates some ambiguities and suggested that N.J.A.C. 11: 3-34.5(f) be amended to include other motor vehicle violations whether they are moving or non-moving violations.

RESPONSE: The Department notes that N.J.A.C. 11:3-34.5(f) as drafted clarifies the confusion regarding the application of the rules pertaining to moving violations not specifically referenced in the schedules found in the Appendix. Therefore, it is not necessary to make further amendment in the proposal.

COMMENT: One commenter suggested that all vehicle related violations should be counted, not just moving violations. Also, the commenter recommended that the language of the

amendment be reviewed to assure that the specificity of some locations cannot be read to exclude others.

RESPONSE: The Department does not believe that there is a need for further review of the language because the addition of subsection (f) to N.J.A.C. 11:3-34.5 adequately clarifies the confusion regarding the application of the rules pertaining to moving violations not specifically referenced in the schedules found in the Appendix.

COMMENT: One commenter commended the Department for making the clarification in this proposal.

RESPONSE: The Department appreciates the comment.

Federal Standards Statement

A Federal standards analysis is not required because the adopted amendment regulates the business of automobile insurance, which is governed by Title 17 of the New Jersey Statutes, and is not subject to any Federal requirements or standards.

Full text of the proposal follows:

ROg02-10/INOREGS