

SUBCHAPTER 47. ELECTRONIC TRANSACTIONS

11:1-47.1 Purpose and scope

(a) This subchapter recognizes and permits electronic transactions between carriers or producers, and applicants, insureds, or other parties.

(b) This subchapter applies to all transactions between carriers or producers, and an applicant, insured or other party for all kinds of insurance pursuant to Titles 17 and 17B of the New Jersey Statutes. This subchapter shall also apply to transactions involving the PAIP and CAIP. This subchapter shall not apply to cancellation, nonrenewal or termination of any insurance coverage. This subchapter shall not apply to filings required to be made with the Department.

11:1-47.2 Definitions

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

“CAIP” means the Commercial Automobile Insurance Plan established pursuant to N.J.S.A. 17:29D-1 and N.J.A.C. 11:3-1.

“Carrier” means an insurance company, health service corporation, hospital service corporation, medical service corporation, dental service corporation, dental plan organization or health maintenance organization approved, authorized, admitted, or eligible to transact business in this State pursuant to Titles 17, 17B or 26 of the New Jersey Statutes, as applicable.

“Commissioner” means the Commissioner of the New Jersey Department of Banking and Insurance.

“Department” means the New Jersey Department of Banking and Insurance.

“Electronic record” is as defined in N.J.S.A. 12A:12-2.

“Electronic signature” is as defined in N.J.S.A. 12A:12-2.

“PAIP” means the Personal Automobile Insurance Plan established pursuant to N.J.S.A. 17:29D-1 and N.J.A.C. 11:3-2.

“Producer” means a person required to be licensed pursuant to N.J.S.A. 17:22A-26 et seq. to sell, solicit or negotiate insurance in this State.

“Record” is as defined in N.J.S.A. 12A:12-2.

11:1-47.3 Electronic transactions

(a) To the extent any statute or rule requires that a transaction or record related thereto between a carrier or a producer and an applicant, insured or other party be in writing, with or without a signature, such transaction or record may be made electronically, provided the requirements

of N.J.S.A. 12A:12-1 et seq. with respect to the use of electronic transactions, are satisfied.

(b) All parties shall agree to the use of electronic records in order for such transactions to be given effect.

(c) Carriers and producers shall develop appropriate procedures for the use of electronic transactions in their dealings with applicants, insureds or any other party. The procedures shall provide for the use of electronic records and transactions consistent with all requirements of law.

(d) All procedures shall be part of a carrier’s underwriting rules, to the extent underwriting rules are subject to review and approval by the Commissioner. If underwriting rules are not subject to review and approval, such procedures shall be included in the carrier’s or producer’s business plan.

11:1-47.4 Penalties

Failure to comply with the provisions of this subchapter may result in the imposition of penalties as authorized by law, including, but not limited to, penalties authorized pursuant to N.J.S.A. 17:33-2 and 17B:21-2.