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LAW/IS 1/28/09

§§1,2 -
C.34:15-90.1 &
34:15-90.2
§3 - Repealer
§4 - C.34:15-90.3

P.L. 2008, CHAPTER 97, *approved October 1, 2008*
Senate Committee Substitute for
Senate, No. 1917

1 **AN ACT** concerning the Compensation Rating and Inspection
2 Bureau, supplementing chapter 15 of Title 34 of the Revised
3 Statutes and repealing R.S.34:15-89 and R.S.34:15-90.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. a. The Compensation Rating and Inspection Bureau,
9 established and continued by R.S.34:15-89, consisting of all
10 insurers authorized to write workers' compensation or employers'
11 liability insurance within this State as provided under R.S.34:15-90,
12 is continued as provided by this act. No insurer shall write
13 workers' compensation or employers' liability insurance in this
14 State unless it is a member of the Compensation Rating and
15 Inspection Bureau. Each member of the Compensation Rating and
16 Inspection Bureau shall have one representative entitled to one vote
17 in the administration of the Compensation Rating and Inspection
18 Bureau's affairs.

19 b. The Compensation Rating and Inspection Bureau shall be
20 governed by a committee of 10 directors. The Commissioner of
21 Banking and Insurance or his designee shall serve as an ex-officio,
22 non-voting director. Six directors of the governing committee shall
23 be elected by the insurer members as provided in the approved plan
24 of operation. Three directors shall be appointed by the
25 commissioner: one of whom shall be an individual appointed from
26 a list or lists of nominees provided by one or more recognized
27 Statewide organizations representing licensed insurance producers;
28 one of whom shall be an individual appointed from a list or lists of
29 nominees provided by one or more recognized Statewide business
30 organizations; and one of whom shall be an individual appointed
31 from a list or lists of nominees provided by one or more recognized
32 Statewide labor organizations.

33 Initially, two of the elected directors and one of the appointed
34 directors shall serve for a term of three years; two of the elected
35 directors and one of the appointed directors shall serve for a term of
36 two years; and two of the elected directors and one of the appointed
37 directors shall serve for a term of one year. Thereafter, all board
38 members shall serve for a term of three years. Vacancies shall be
39 filled in the same manner as the original selection.

- 1 2. The Compensation Rating and Inspection Bureau shall have
2 authority to:
- 3 a. Enter into contracts as are necessary or proper to carry out the
4 provisions and purposes of this act;
- 5 b. Sue or be sued, including taking any legal actions as may be
6 necessary for recovery of any assessments;
- 7 c. Establish rules, conditions, and procedures for assessment of
8 its members;
- 9 d. Assess members in accordance with chapter 15 of Title 34 of
10 the Revised Statutes;
- 11 e. Appoint from among its members appropriate legal, actuarial,
12 and other subcommittees of the governing committee as necessary
13 to provide technical assistance in the operation of the bureau;
- 14 f. Establish and maintain rules, regulations and premium rates
15 for workers' compensation and employers' liability insurance and
16 equitably adjust the same, as far as practical, to the hazard of
17 individual risks, by inspection by the bureau;
- 18 g. Adopt means for assuring uniform and accurate audit of
19 payrolls as they relate to policies of workers' compensation and
20 employers' liability insurance by auditors, appointed by the bureau,
21 or by such other means as the bureau may, with the approval of the
22 commissioner, establish;
- 23 h. Furnish upon request to any of its members or to any
24 employer upon whose risks a rating has been promulgated by it,
25 information as to such rating, including the method of its
26 computation, and shall encourage employers to reduce the number
27 and severity of accidents by adjusting premiums and rates through
28 the use of credits and debits or other proper factors, under such
29 uniform system of experience or other forms of merit rating as may
30 be approved by the commissioner;
- 31 i. Prepare and file, for the approval of the commissioner, and for
32 the use by all of its members, any amendments to its policy forms
33 and its system of classification of risks and premiums thereto,
34 together with the basis rates and system of merit or schedule rating
35 applicable to such insurance, as currently set forth in the New
36 Jersey Workers' Compensation and Employers' Liability Insurance
37 Manual;
- 38 j. Develop and submit, for the approval of the commissioner,
39 any amendments to its rules of procedure as currently set forth in
40 the New Jersey Workers' Compensation and Employers' Liability
41 Insurance Manual;
- 42 k. Resolve disputes concerning the application of its rating
43 system to specific cases, in accordance with the workers'
44 compensation and employers' liability insurance policy and the
45 bureau's rules of procedure, subject to appeal to the commissioner;
46 and

1 1. Take such other actions as may be reasonable and necessary to
2 carry out its functions as provided in its approved rules of
3 procedures, or as directed by the commissioner.

4

5 3. R.S.34:15-89 and R.S.34:15-90 are repealed.

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7 4. This act shall take effect July 1, 2009, except that the
8 Commissioner of Banking and Insurance may take such anticipatory
9 administrative action in advance as shall be necessary for the
10 orderly transition of the new Compensation Rating and Inspection
11 Bureau and proper implementation of this act.

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16 Revises membership of Compensation Rating and Inspection
17 Bureau and clarifies its authority.

SENATE, No. 1917

STATE OF NEW JERSEY 213th LEGISLATURE

INTRODUCED MAY 22, 2008

Sponsored by:

Senator PAUL A. SARLO

District 36 (Bergen, Essex and Passaic)

Senator SEAN T. KEAN

District 11 (Monmouth)

SYNOPSIS

Expands the membership of the Compensation Rating and Inspection Bureau.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT expanding the membership of the Compensation Rating
2 and Inspection Bureau and supplementing chapter 15 of Title 34
3 of the Revised Statutes.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. The Commissioner of Banking and Insurance shall appoint
9 three members, who are not representatives of an insurance
10 company, to the compensation rating and inspection bureau, created
11 pursuant to R.S.34:15-89: one shall be an individual appointed from
12 a list or lists of nominees provided by one or more recognized
13 Statewide organizations representing labor unions; one shall be an
14 individual appointed from a list or lists of nominees provided by
15 one or more recognized Statewide organizations representing
16 businesses; and one shall be a member of the public.

17 a. The appointments shall be made within 90 days after the
18 effective date of this act. The members appointed pursuant to this
19 section shall serve for a term of three years from the date of
20 appointment.

21 b. Vacancies of the members appointed pursuant to this section
22 shall be filled in the same manner as the original appointments.

23 c. Each additional appointed member shall be entitled to one
24 vote in the administration of bureau affairs and shall be a member
25 of the Governing Committee of the bureau, or any similar successor
26 body that has decision-making authority and responsibility.

27 d. The additional appointed members shall serve without
28 compensation, but shall be reimbursed for necessary expenditures
29 incurred in the performance of their duties as members of the
30 commission.

31
32 2. This act shall take effect immediately.

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35 STATEMENT

36
37 The Compensation Rating and Inspection Bureau (CRIB) was
38 established in 1917, under the supervision of the Department of
39 Banking and Insurance, to establish and maintain rules, regulations
40 and premium rates for workers' compensation and employer's
41 liability insurance. Currently the entire membership of CRIB is
42 statutorily mandated to be representatives of insurance companies
43 writing workers' compensation or employer's liability insurance in
44 the State.

45 This bill would expand that membership to include three more
46 representatives, to be appointed by the Commissioner of Banking
47 and Insurance. One of the members will be a representative of a

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1 Statewide business organization, one will be a representative of a
2 Statewide labor organization and one will be a public member.

3 Each of these three new members will be entitled to one vote in
4 the administration of bureau affairs and will be a member of the
5 Governing Committee of the bureau, or any similar successor body
6 that has decision making authority and responsibility.

SENATE LABOR COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR **SENATE, No. 1917**

STATE OF NEW JERSEY

DATED: JUNE 5, 2008

The Senate Labor Committee reports favorably Senate Committee Substitute for Senate Bill No. 1917.

This committee substitute repeals the current statute, initially creating the Compensation Rating and Inspection Bureau (CRIB) in 1917, and replaces it with a bureau of the same name that is more reflective of current operations of CRIB and the modern workers' compensation system. The committee substitute revises the membership of CRIB's governing committee, not currently codified in the statutes, to make it more inclusive of all parties involved with the workers' compensation system. The bill includes on the governing committee, for the first time, directors who do not represent member insurers, but rather a licensed insurance producer; a representative of business; and a representative of labor, all three of whom shall be appointed by the Commissioner of Banking and Insurance from lists submitted by appropriate Statewide organizations. The substitute bill also clarifies CRIB's authority with respect to its members and its duties.

ASSEMBLY, No. 2969

STATE OF NEW JERSEY 213th LEGISLATURE

INTRODUCED JUNE 12, 2008

Sponsored by:

Assemblyman NEIL M. COHEN

District 20 (Union)

Assemblyman JOSEPH V. EGAN

District 17 (Middlesex and Somerset)

Assemblyman THOMAS P. GIBLIN

District 34 (Essex and Passaic)

Co-Sponsored by:

Assemblywoman Evans

SYNOPSIS

Expands the membership of the Compensation Rating and Inspection Bureau.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/13/2008)

1 AN ACT expanding the membership of the Compensation Rating
2 and Inspection Bureau and supplementing chapter 15 of Title 34
3 of the Revised Statutes.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. The Commissioner of Banking and Insurance shall appoint
9 three members, who are not representatives of an insurance
10 company, to the compensation rating and inspection bureau, created
11 pursuant to R.S.34:15-89: one shall be an individual appointed from
12 a list or lists of nominees provided by one or more recognized
13 Statewide organizations representing labor unions; one shall be an
14 individual appointed from a list or lists of nominees provided by
15 one or more recognized Statewide organizations representing
16 businesses; and one shall be a member of the public.

17 a. The appointments shall be made within 90 days after the
18 effective date of this act. The members appointed pursuant to this
19 section shall serve for a term of three years from the date of
20 appointment.

21 b. Vacancies of the members appointed pursuant to this section
22 shall be filled in the same manner as the original appointments.

23 c. Each additional appointed member shall be entitled to one
24 vote in the administration of bureau affairs and shall be a member
25 of the Governing Committee of the bureau, or any similar successor
26 body that has decision-making authority and responsibility.

27 d. The additional appointed members shall serve without
28 compensation, but shall be reimbursed for necessary expenditures
29 incurred in the performance of their duties as members of the
30 commission.

31
32 2. This act shall take effect immediately.

33
34

35 STATEMENT

36
37 The Compensation Rating and Inspection Bureau (CRIB) was
38 established in 1917, under the supervision of the Department of
39 Banking and Insurance, to establish and maintain rules, regulations
40 and premium rates for workers' compensation and employer's
41 liability insurance. Currently the entire membership of CRIB is
42 statutorily mandated to be representatives of insurance companies
43 writing workers' compensation or employer's liability insurance in
44 the State.

45 This bill would expand that membership to include three more
46 representatives, to be appointed by the Commissioner of Banking
47 and Insurance. One of the members will be a representative of a

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1 Statewide business organization, one will be a representative of a
2 Statewide labor organization and one will be a public member.

3 Each of these three new members will be entitled to one vote in
4 the administration of bureau affairs and will be a member of the
5 Governing Committee of the bureau, or any similar successor body
6 that has decision making authority and responsibility.

ASSEMBLY LABOR COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR ASSEMBLY, No. 2969

STATE OF NEW JERSEY

DATED: JUNE 12, 2008

The Assembly Labor committee reports favorably the Assembly Committee Substitute for Assembly Bill No. 2969.

The committee substitute repeals the current statute, which initially created the Compensation Rating and Inspection Bureau (CRIB) in 1917. The substitute replaces it with a bureau of the same name that is more reflective of current operations of CRIB and the modern workers' compensation system. The committee substitute revises the membership of CRIB's governing committee, not currently codified in the statutes, to make it more inclusive of all parties involved with the workers' compensation system. The bill provides that the governing committee be comprised of 10 members: the Commissioner of Banking and Insurance, six members elected by the insurer members and, for the first time, directors who do not represent member insurers, but rather a licensed insurance producer; a representative of business; and a representative of organized labor, all three of whom shall be appointed by the commissioner from lists submitted by appropriate Statewide organizations. The substitute bill also clarifies CRIB's authority with respect to its members and its duties.

The Compensation Rating and Inspection Bureau (CRIB) was established in 1917 to establish and maintain rules, regulations and premium rates for workers' compensation and employer's liability insurance. Currently the entire membership of CRIB is statutorily mandated to be representatives of insurance companies writing workers' compensation or employer's liability insurance in the State.