



May 18, 2005

Mr. Douglas A. Wheeler  
Assistant Commissioner  
Legislative and Regulatory Affairs  
New Jersey Department of Banking and Insurance  
20 West State Street  
PO Box 325  
Trenton, NJ 08625-0325

Via: Fax, Email and Mail

**PROFESSIONAL  
INSURANCE  
AGENTS**

**RE: Proposed amendment: N.J.A.C. 11:3-10.4; Excess Salvage Deductions and Total Loss Claims; PRN 2005-102**

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Dear Assistant Commissioner Wheeler:

PIANJ appreciates the opportunity to comment on the department's proposed amendment to the regulations dealing with claims arising under motor vehicle coverages. The department has suggested amending the rules to address the issue of salvage value when a vehicle is deemed a total loss in an accident.

The department proposes a requirement that if an insurer deducts from a settlement an amount representing the salvage value of the totaled vehicle, such deduction must be limited to the amount the insured or third party claimant would be able to obtain from a salvage facility located within a reasonable distance from the garage or storage site of the vehicle. Additionally, if an insured or third party claimant cannot obtain the amount the insurer has deducted for salvage, the insurer must either pay the difference between the value it has deducted and the amount the insured or claimant can actually receive, or provide the name and contact information of a salvage facility that will purchase the vehicle for the amount deducted. Lastly, an insurer that deducts salvage value from a total loss settlement must notify the insured or third party claimant of these rights.

PIANJ believes that the amendments will ensure that consumers receive fair market value for their salvage vehicles. Therefore, PIANJ wholeheartedly supports the department's proposed amendments.

If you have any questions or concerns regarding this comment, you may contact the undersigned, or PIANJ's counsel Jill Muratori. Thank you again for the opportunity to provide comments.

Sincerely,

A handwritten signature in black ink, appearing to read 'Louis Beckerman', written in a cursive style.

Louis Beckerman, CIC, CPCU  
PIANJ President