



February 21, 2007

Robert J. Melillo, Chief
Legislative and Regulatory Affairs
Department of Banking and Insurance
20 West State Street
PO Box 325
Trenton, NJ 08625-0325

**PROFESSIONAL
INSURANCE
AGENTS**

**RE: PRN 2007-10, Proposed amendments: N.J.A.C. 11:3-16A.1, 16A.2 and 16A.4
and proposed new rules: N.J.A.C. 11:3-16A.10, 16A.11 and 16A.12**

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Dear Mr. Melillo:

PIANJ thanks the department for the opportunity to provide comments regarding its proposed new rules that would establish a Territorial Rating Equalization Exchange (TREE) plan. PIANJ supports the proposal and agrees with the department that such a plan is needed to promote sustainable competition in all areas of the state, especially the urban territories.

PIANJ also agrees that the TREE plan is necessary to ensure that the rates in the new territories that will be developed by the territorial rating commission are not significantly disproportionate to those in effect when the Automobile Insurance Cost Reduction Act was enacted.

PIANJ also commends the department for including two automobile insurance producer representatives on the TREE governing committee. We suggest that a representative of the PIANJ be selected to serve as one of the producer members. PIANJ has a long history of providing the department with knowledgeable individuals that have assisted the department and served on various committees dealing with auto reform issues.

Thank you for the opportunity to provide comments on this proposal. If you have any questions, you may contact me or PIANJ's Government Affairs Counsel, Jill Muratori.

Sincerely,

A handwritten signature in black ink that reads 'Andrew H. Anderson'.

ANDREW H. ANDERSON, CIC
President