

**Democratic Caucus Chairman**

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REPLY TO: **Harrisburg**

**Honorable Diane Koken  
Pennsylvania Insurance Commissioner  
13th floor, Strawberry Square  
Harrisburg, PA 17120**

**Dear Commissioner Koken:**

I am writing to express my concern regarding the final form Regulations proposed by the Department of Insurance for Motor Vehicle. First, allow me to thank you for amending the Regulation regarding Steering to incorporate part of the concern that I communicated to the Independent Regulatory Review Commission (IRRC), that IRRC communicated to the Department regarding "Steering." I was pleased to note that the Department removed the language indicating "an Insurance Appraiser could recommend two or more repair facilities providing they give simultaneous notice to the claimant that he/she was not required to use any particular shop for repairs." Removing the language regarding recommending repair facilities while keeping the notice requirement that the claimant is not required to use a particular facility more closely conforms to the "Appraisers Act" and is a step in the right direction.

However, I have heard a number of concerns from some of my constituents which I believe require and deserve more discussion and refinement before final action is taken. Those include:

1. The Steering issue.
2. Use of After-market parts
3. Elimination of the language referencing third party appraisal dispute resolution
4. The change in language made by the Department regarding restoration of the vehicle to its pre-loss "function and appearance" rather than pre-loss condition.

Since this issue has been around for some time, I see no reason to rush into new Regulations before the final form Regulations can be discussed further. Shortly after receiving the notice of final form Regulations and the brief intervening time to allow for comment before their final approval, I sent a letter to the Honorable Edwin Holl, Chairman of the Senate committee on Insurance and Banking, on which I serve, requesting that he schedule a meeting, since none is scheduled, so that these concerns could be aired on the Senate side of the Legislature. I am aware that the House Insurance Committee met to hear from various witnesses. Senator Holl has not made a decision on whether or not to hold a Meeting, but gives the brief window of opportunity before the deadline for submission of comments (September 13, 1999), I question whether our Committee could schedule a Meeting that would provide a forum for representatives from all of the various points of view.

I, therefore, respectfully request that the Department of Insurance withdraw these Regulations to give the Senate Insurance Committee time to give these Regulations the Hearing they deserve. This is much too important to have these Regulations rushed through when there is no reason or need to do so. We owe it to the consumers of Pennsylvania to give this issue the full Hearing that it deserves. Thank you for your courtesy and consideration.

Sincerely,

**Michael A. O'Pake  
Senator--11th District**

**MAO'P/TWG**

**RECEIVED**

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COMMISSION**

**Senate of Pennsylvania  
September 9, 1999**

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Original: 2001

Harbison

cc: Harbison, Notebook  
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