

Boater Voter Coalition Inc.

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To: The Honorable **Senator Nicholas J. Sacco**
9060 Palisade Ave.
North Bergen, NJ 07047

February 28, 2007

Ref: Vessels, certification-Liability Insurance A-1953.

Dear Chairman Sacco,

As a long time resident boater and Chairman of the BVC, I strongly disagree with the proposals of mandatory vessel insurance as outlined in the New Jersey Assembly Bill A-1953 for the following reasons.

1. The Bill was formulated without knowledge of the current marine insurance underwriter standards.
2. Bill a-1953 does not provide for any exceptions.
3. Marine Trades and Boating organizations were not consulted prior to introduction.
4. The matter was not vetted to include all boating situations and trade standards
5. The Bill appears to be treating marine vessels the same and automobiles not in keeping with marine and Admiralty Laws.
6. There is insufficient data to determine that there is a need to require mandatory insurance and alternative types of coverage plans found in nearby states were not considered.

Currently, underwriting institutions providing coverage for boats only provide for liability when included in property loss. The cost of insurance is based on the owner's age, education, locations of operation and type of vessel. They also require that the vessel be "surveyed" (appraisal inspected) by an approved surveyor. There are not any state standards or licensing of vessel surveyors and are generally self proclaimed experts without marine architectural degrees. The cost of a survey may cost \$15-25 per foot of length plus other cost of hauling the boat from water or to water to determine worthiness.

Some boats are wood or of such an age that the insurance industry will not write a policy. Some boats do not even have an operational motor and are used strictly as a floating vacation home. There are many boats used only a few times a year or placed in the water and not used at ever. There are no exceptions for these types of vessels.

This bill was not vetted on the floor by the insurance underwriters, marine trade organizations, recreational boating groups or the general public. The insurance companies do not have an instrument directly relating to the proposed law. The marine trades organizations do not support the technical details of the law and the recreational boating organizations can not support the financial burden that will be placed on the residents of New Jersey do to the technical points of the Bill.