

**STATE OF CALIFORNIA  
DEPARTMENT OF INSURANCE  
45 Fremont Street, 21<sup>st</sup> Floor  
San Francisco, California 94105**

**REG-2008-00026  
CA 08-06 Forms**

**July 1, 2009**

**INITIAL STATEMENT OF REASONS**  
Proposed Amendments to the CAARP Plan of Operations

PURPOSE OF THE REGULATION

Pursuant to California Insurance Code Section 11620 California Insurance Commissioner Steve Poizner will hold a public hearing regarding the recommendation of the California Automobile Assigned Risk Plan (“CAARP” or “Plan”) to amend the CAARP Plan of Operations.

NECESSITY OF REGULATION

Insurance Services Office (“ISO”) has introduced several revisions to the Commercial Auto Parts Program (“CACP”) and related endorsements. The changes to the Portfolio of Forms of the Plan of Operations is necessary to allow CAARP to stay updated with changes that have been made by the federal and state governments to the forms. These changes allow CAARP to stay current with the coverage’s being made available to commercial applicants. The last update to the forms was made in October 2001. The proposed updates, revisions and deletions are necessary to ensure that serving carriers do not wrongly deny or provide coverage to an applicant due to an out of date form.

IDENTIFICATION OF STUDIES

The proposed amendments rely upon the expertise and experience of CAARP’s Advisory Committee. No data, studies, information or reports were submitted for this proceeding.

SPECIFIC ACTIONS, PROCEDURES, TECHNOLOGIES OR EQUIPMENT

Adoption of the proposed changes would not mandate the use of specific technologies or equipment.

REASONABLE ALTERNATIVES

The Commissioner invites public comments on the proposed changes and reasonable alternatives which would be as effective to carry out the proposed changes.

ECONOMIC IMPACT ON BUSINESS

The Commissioner has initially determined that the proposed changes will not have a significant adverse economic impact on businesses. The Commissioner invites interested parties to comment on whether the proposed changes will have a significant adverse economic impact on business.