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Associate Members:

NAMIC

CHUBB

CONNECT  
by American Family

**Date:** July 17<sup>th</sup>, 2020

**To:** Honorable Hannah-Beth Jackson, Chair  
Honorable Andreas Borgeas, Vice Chair  
Members, Senate Judiciary Committee

**From:** Rex D. Frazier, President  
Seren Taylor, Senior Legislative Advocate  
Deanna Jarquin, Legislative Advocate

**Re:** AB 1286 (Muratsuchi) Shared Mobility Devices: Agreements

**PIFC Position: Oppose Unless Amended**

The Personal Insurance Federation of California (PIFC) is a statewide trade association that represents six of the nation's largest property and casualty insurance companies (State Farm, Liberty Mutual Insurance, Progressive, Mercury, Nationwide, and Farmers as well as associate members NAMIC, Chubb, and American Family Connect Property and Casualty Insurance) who collectively write a majority of personal lines home and auto insurance in California.

AB 1286 (Muratsuchi) requires a shared mobility service provider to enter into an agreement with, or get a permit from, the city or county where they intend to deploy their devices. Additionally, the bill would require the provider maintain at least \$1,000,000 in commercial general liability insurance.

Consumers likely lack coverage from their private passenger or homeowners insurance while using a shared motorized device. PIFC regrettably opposes this measure unless it is amended to include a disclosure to consumers to alert them of this fact.

Disclosures are an important tool to help consumers gauge risk before engaging in an activity. Without a disclosure, consumers may feel blindsided if they believe their insurance covers costs if they are involved in an accident while using a shared motorized device. Additionally, some of our companies offer an endorsement, or added coverage, for motorized vehicles. In most cases, a consumer has to inquire with their insurer about obtaining this endorsement. Without a disclosure, a consumer may not have the opportunity to get this coverage, if they feel it is necessary.

We respectfully request the following disclosure is added to AB 1286 to increase consumer awareness:

*WHILE YOU ARE LOCATING AND RETURNING SCOOTERS, PROVIDING TRANSPORT, BATTERY CHARGE, OR REPAIR SERVICES, YOU MAY BE ENGAGED IN COMMERCIAL ACTIVITY. YOUR PRIVATE PASSENGER AUTOMOBILE, HOMEOWNERS, CONDOMINIUM, OR RENTERS INSURANCE POLICIES MIGHT NOT PROVIDE COVERAGE FOR YOU, DEPENDING ON THE TERMS OF YOUR POLICY.*

Unfortunately, without this addition, we oppose this measure. If you have any questions regarding our position, please contact Deanna Jarquin at 925-395-8802.

cc: Assemblymember Al Muratsuchi, Author  
Morgan Branch, Consultant, Senate Republican Caucus  
Ronda Paschal, Deputy Legislative Secretary, Office of the Governor