

September 18, 2013



STATE FARM

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INSURANCE

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ALLSTATE

MERCURY

NATIONWIDE

The Honorable Edmund G. Brown
Governor of the State of California
State Capitol Building
Sacramento, CA 95814

Attn: Assemblymember John A. Pérez, Author
Re: Request for Signature on AB 32 (Pérez)

Dear Governor Brown,

The Personal Insurance Federation of California, representing seven of the nation's largest insurance companies (State Farm, Farmers, Liberty Mutual Insurance, Progressive, Allstate, Mercury and Nationwide) who collectively write a majority of the personal line auto and home insurance in California, **respectfully requests your signature on AB 32: Community Development Financial Institution (CDFI) Investment Tax Credits, by Assemblymember John A. Pérez.**

AB 32 would increase the annual cap on qualified investments in the California Organized Investment Network (COIN) program from \$10 million to \$50 million, which, in turn, increases the amount of tax credits available from \$2 million to \$10 million. Since its inception, COIN has facilitated the investment of more than \$135 million into some of California's most underserved urban and rural communities.

PIFC member companies are actively involved in efforts to encourage and facilitate appropriate insurer investments in California community projects. The CDFI Tax Credit and Certification Program has proven to be a useful tool for stimulating investment in California communities by providing an incentive for insurers, other financial institutions, and individuals to deposit funds in CDFIs. In turn, these funds have been used to assist persons in low income communities to secure financing for economic development and affordable housing.

AB 32 provides a positive economic incentive to encourage community investment. For this reason, PIFC **supports AB 32 CDFI Tax Credits by Assemblymember John A. Pérez and respectfully requests your signature.** If you have any questions regarding PIFC's position, please contact Michael A. Gunning at (916) 442-6646.

Sincerely,

Rex Frazier
PIFC President

Michael A. Gunning
PIFC Vice President

cc: Gareth Elliott, Secretary, Legislative Affairs
Camille Wagner, Deputy Secretary, Legislative Affairs