



**MEMORANDUM**

**Date:** May 18, 2011

**To:** The Honorable Felipe Fuentes, Chair  
The Honorable Diane L. Harkey, Vice Chair  
Members, Assembly Appropriations Committee

**From:** Rex D. Frazier, President  
Michael A. Gunning, Vice President  
Kimberley Dellinger Dunn, General Counsel  
Manolo P. Platin, Legislative Advocate

**Re:** AB 1098 (Hagman): Insurance: unlawful practices  
As Amended March 31, 2011

**Assembly Appropriations Committee – Hearing May 18, 2011**  
**PIFC Position: Support**

The Personal Insurance Federation of California, representing six of the nation's largest insurance companies (State Farm, Farmers, Liberty Mutual Group, Progressive, Allstate and Mercury) and one national trade association (National Association of Mutual Insurance Companies) who collectively write a majority of the personal line auto and home insurance in California, **supports AB 1098 by Assembly Member Hagman.**

AB 1098 would require a written request from the Department of Insurance ("the Department") to an insurance company for the disclosure of the denial of a registered auto body repair shop to participate in the company's direct repair program.

In order to protect privacy rights, insurance carriers need written documentation from the Department. This will ensure that the person to whom carriers release the information has the authority to receive it. Any other method of requested information would potentially violate privacy rights.

For the foregoing reasons, **PIFC supports AB 1098** and urges your "aye" vote. If you have any questions regarding PIFC's position, please contact Michael A. Gunning at (916) 442-6646.

cc: Assembly Member Curt Hagman, Author  
Julie Salley-Gray, Assembly Appropriations Committee  
Anthony Archie, Assembly Republican Caucus  
Gareth Elliott, Secretary of Legislative Affairs, Office of the Governor  
Randall Ward, Director, Office of the Insurance Advisor