



STATE FARM

FARMERS

LIBERTY MUTUAL GROUP

PROGRESSIVE

21ST CENTURY

ALLSTATE

NAMIC

Date: June 11, 2009

To: The Honorable Ron Calderon, Chair
The Honorable Dave Cogdill, Vice Chair
Members, Senate Banking, Finance, & Insurance Committee

From: Rex D. Frazier, President
Michael A. Gunning, Vice President
Kimberley Dellinger, General Counsel
Ermelinda Ruiz, Legislative Advocate

Re: AB 1179 (Jones): Motor Vehicle Insurance: Damage Assessments
Senate Banking, Finance, & Insurance Committee
Hearing June 17, 2009
PIFC Position: Oppose, unless amended

The Personal Insurance Federation of California (PIFC), representing insurers who write approximately 70% of the auto insurance sold in the state, including State Farm, Allstate, Farmers, Liberty Mutual Group, 21st Century, Progressive and NAMIC, finds itself in the position of again opposing Assemblyman Jones' AB 1179.

We had removed our opposition in the Assembly Insurance Committee when the author agreed to adopt an addition to the Auto Body Repair Consumer Bill of Rights that would state it is the right of a consumer to seek and obtain an independent repair estimate directly from a registered auto body repair shop. However, we did so on the condition that the phrase, "...even when pursuing an insurance claim for repair of that vehicle" be removed.

PIFC staff and other trades testified that we would remove our opposition but also requested that the author remove the last clause in the proposed sentence. We explained to the committee members that this phrase was not necessary since it is clear that this activity is related to an insurance claim. We now understand it is the intent of the author to leave that phrase in the bill. This is unnecessary and redundant. We will remove our opposition, again, if the author agrees to remove this phrase.

If you have any additional questions regarding our position, please do not hesitate to contact Michael A. Gunning at (916) 442-6646.

cc: Assembly Member Jones (Author)
Mike Webb, Chief Deputy, Legislative Affairs Secretary, Office of the Governor
Kenneth Cooley, Principal Consultant, Senate Banking, Finance & Insurance Committee
Tim Conaghan, Senate Republican Caucus, Insurance Consultant
Manolo P. Platin, Office of the Insurance Advisor