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MEMORANDUM

Date: May 1, 2007

To: The Honorable Pedro Nava
Members, Assembly Transportation Committee

From: Rex D. Frazier, President
Michael A. Gunning, Vice President
Michael A. Paiva, Senior Legislative Advocate
Ermelinda Ruiz, Legislative Advocate

Re: AB 254 (Gaines) Vehicles: Total Loss Salvage Vehicles
As Amended April 10, 2007
Assembly Transportation Committee Hearing: May 7, 2007
PIFC Position: Support

The Personal Insurance Federation of California, representing insurers who write 44% of the auto insurance sold in the state, including Farmers, 21st Century, Safeco, Progressive, State Farm and NAMIC, **supports Assembly Bill 254**, authored by the Assembly Member Ted Gaines.

AB 254 would work to create a "flooded" title designation for California salvage vehicles. The goal of the bill is to make sure California's titling laws are in sync with those other states that have a "flooded" title designation. It is necessary for consumer protection that these vehicles are properly branded. Consumers should be aware that the cars they are buying were previously a salvage vehicle due to flood.

For the above reasons, **PIFC supports AB 254 (Gaines)**. If you have any questions, please contact Michael A. Gunning at (916) 442-6646.

cc: Assembly Member Mike Feuer, Author
Mike Proso, Chief Deputy, Legislative Affairs Secretary, Office of the Governor
Howard Posner, Consultant, Assembly Transportation Committee
Gregson Porteous, Consultant, Assembly Republican Caucus
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