

## MEMORANDUM



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**Date:** May 27, 2008

**To:** The Honorable Mike Machado, Chair  
The Honorable George Runner, Vice Chair  
Members, Senate Banking, Finance and Insurance Committee

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

**Re:** AB 2688 (De La Torre) CAARP  
As Amended April 24, 2008  
Senate Banking, Finance and Insurance Committee Hearing June 4, 2008  
**PIFC Position: Support**

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The Personal Insurance Federation of California (PIFC), representing insurers who write over 50% of all personal lines insurance sold in California, including State Farm, Farmers, Safeco, aigdirect.com, Progressive, and NAMIC, **supports AB 2688** authored by Assembly Member Hector De La Torre.

AB 2688 would allow insurance carriers that provide coverage for high risk drivers the ability to access credible accident and violation history data sources.

Current law restricts the sources from which carriers can obtain credible accident and violation history on persons who are unable to get auto coverage in the voluntary market due to their accident or violation history. Carriers are limited to obtaining such information from the DMV.

AB 2688 would allow insurance carriers to obtain this critical information on these high risk individuals from loss history exchanges as well. Carriers are allowed to access information from these exchanges on those who wish to qualify as California good drivers. This law will bring consistency to the sources of information available to carriers to assess risks for the voluntary market and the high risk market.

For the aforementioned reasons, **PIFC supports AB 2688**. 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 De La Torre, Author)  
Erin Ryan, Senate Banking, Finance and Insurance Committee  
Mike Proso, Chief Deputy Legislative Affairs Secretary, Office of the Governor  
Tim Conaghan, Consultant, Senate Republican Caucus  
Kathleen Webb, Office of the Insurance Advisor

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