

September 18, 2013

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



STATE FARM

FARMERS

LIBERTY MUTUAL
INSURANCE

PROGRESSIVE

ALLSTATE

MERCURY

NATIONWIDE

Re: Request for Signature on SB 251 (Calderon)

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 SB 251: Insurance: Notice: Electronic Transmission by Senator Calderon.**

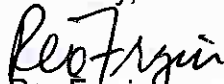
SB 251 would allow the renewal notices for home, auto, commercial, workers' compensation and earthquake policies to be delivered electronically, provided that the consumer or business has decided to opt-in for electronic communications. This bill would not change the long-standing consumer protections in existing law (CCC 1633.1) and would add additional protections to the Insurance Code (CIC 38.5). As the majority of commerce moves to the online platform, we believe it is appropriate to review prohibitions put into place in the 1990s, when the California Legislature passed the Uniform Electronic Transactions Act (UETA) establishing uniform standards for conducting business electronically in California.

Since then, almost every state has adopted similar laws to facilitate electronic renewal of insurance documents. This act requires that a consumer and/or business must agree to have transactions conducted electronically and that they cannot be compelled to do so by an insurance company.

SB 251 was a collaborative effort between the insurance industry and the California Department of Insurance (CDI), and the final set of amendments included a 5-year sunset that removed CDI opposition.

For these reasons, PIFC **supports SB 251: Insurance: Notice: Electronic Transmission by Senator Calderon and respectfully requests your signature.** If you have any questions regarding PIFC's position, please contact Manolo P. Platin at (916) 442-6646.

Sincerely,


Rex Frazier
PIFC President


Manolo P. Platin
PIFC Legislative Advocate

cc: Senator Ron Calderon, Author
Gareth Elliott, Secretary, Legislative Affairs
Camille Wagner, Deputy Secretary, Legislative Affairs