

**DEPARTMENT OF INSURANCE****Legal Division**45 Fremont Street, 21st Floor  
San Francisco, CA 94105

**TO: Certain Interested and Affected Parties**  
**FROM: Teresa R. Campbell**  
**DATE: January 4, 2012**  
**RE: Invitation to Prenotice Public Discussions on Contemplated Regulations  
Regarding Labor Rate Surveys and Steering.**

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Pursuant to Government Code Section 11346.45, Insurance Commissioner Dave Jones will hold prenotice public discussions regarding the contemplated revisions to California Code of Regulations, Title 10, Chapter 5, Subchapter 9, Article 7, sections 2698.91 and to adopt section 2698.92 regarding Direct Repair Programs and Labor Rate Surveys. The prenotice public discussions will also discuss contemplated revisions to California Code of Regulation, Title 10, Chapter 5, Article 1 of Subchapter 7.5, section 2695.8(e) concerning insurer recommendations of automobile repair dealers. The proposed regulations will implement, interpret and make specific the provisions of California Insurance Code section 758, 758.5, and 790.03. Sections 790.10, 12921 and 12926 of the California Insurance Code, Section 3333 of the California Civil Code and Sections 11342.2 and 11152 of the California Government Code provide authority for this rulemaking.

You are hereby invited to participate in these prenotice public discussions. The purpose of these discussions is to permit certain interested and affected persons an opportunity to present statements or comments with respect to the attached draft regulations text.

Public discussions will be held on the following date, at the time and location specified below:

Date: January 25, 2012

Location: California Department of Insurance  
300 Capitol Mall, 13<sup>th</sup> Floor Conference Room  
Sacramento CA 95814

Time: 10:00 a.m. to 12:00 noon. The discussions will end at 12:00 noon or as soon after 10:00 a.m. as all those wishing to speak have spoken, whichever is earlier.

The facility to be used for these public discussions is accessible to persons with mobility impairments. Persons with sight or hearing impairments are requested to notify the undersigned by January 20, 2012 in order to make special arrangements.

Space is limited so we ask that you limit your organization's representation to one individual.

For purposes of promoting discussion, we have attached a version of a draft regulation text. Participants should be prepared to present specific comments on, and alternate regulation language for, the attached draft regulation text at the scheduled public discussion. All persons are invited to submit written statements.

Please be advised that participation in these prenotice public discussions will be in addition to, and not in substitution for, any participation in the formal rulemaking process. This invitation to pre-notice public discussions does not constitute a Notice of Proposed Action under the Administrative Procedure Act. Consequently, comments (oral or written) received in connection with this prenotice public discussion will not be included in the rulemaking file, which will not be opened until the time formal notice is issued. Similarly, the Department is not required to respond to comments received before the Notice of Proposed Action has been issued and the rulemaking file opened. For this reason, if you wish to have comments included in the rulemaking file, or to require the Department to respond to them as part of the process by which it adopts this regulation, you must present your comments during the formal public comment period according to the procedures outlined in the Notice of Proposed Action at the time that document is issued regardless of whether the comments have been made in connection with this pre-notice public discussion. The Commissioner nonetheless welcomes your participation in this discussion, and hopes that the regulations that may subsequently be proposed will benefit from your input.

All inquiries regarding the contemplated regulations and/or these public discussions should be directed to the undersigned.

Participants are requested to RSVP by January 20, 2012. Please RSVP by providing to Teresa R. Campbell (e-mail [teresa.campbell@insurance.ca.gov](mailto:teresa.campbell@insurance.ca.gov)) your name, the name of the organization (if any) which you represent, your mailing address, telephone number, and email address.

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