

April 21, 2015



STATE FARM

FARMERS

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INSURANCE

PROGRESSIVE

ALLSTATE

MERCURY

NATIONWIDE

**To:** The Honorable Loni Hancock, Chair  
The Honorable Joel Anderson, Vice Chair  
Members, Senate Public Safety Committee

**From:** Rex D. Frazier, President  
Michael A. Gunning, Vice President  
Kara Cross, General Counsel  
Manolo P. Platin, Legislative Advocate

**Re: SB 405 (Hertzberg) Vehicles: infraction and misdemeanor violations:  
amnesty  
As Amended April 6, 2015**

**Senate Public Safety Committee Hearing, April 28, 2015**

**PIFC Position: Support**

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, **supports SB 405: Vehicles: Infraction and Misdemeanor Violations: Amnesty by Senator Robert Hertzberg.**

The goal of SB 405 is to reduce the number of persons who have their driver license suspended for violations that don't affect public safety. The bill would provide a method for persons with a current suspension for such nonviolent offenses to get their driving privileges restored in conjunction with the Governor's proposed Traffic Amnesty Program to improve court-ordered debt collection.

PIFC member companies believe that having one's license suspended for nonpayment or late payment of fines and bail creates an undue hardship on people that commit nonpublic, nonsafety violations, particularly low income individuals. Low income Californians who have been unable to pay tickets or assessments get their drivers licenses suspended by the courts. Traffic assessment fees can have a ruinous effect on low income Californians because, under current law, a person wishing to contest such a fee on the grounds of good cause, must first pay the fine before they can contest their case before a judge. If they are unable to pay the fine, low income may miss their chance to plead good cause and, as a result, may have a hold placed on their driver's license. Such a hold may impact their ability to find and keep a job and, thus, to pay their fines. This means they often can go years without a drivers' license. Because of these financial barriers, they can often go years without a drivers' license and subsequently, drop their insurance coverage.

We believe that SB 405 would restore drivers licenses suspended as a result of nonviolent offenses, upon agreement that court-ordered debt be collected in conjunction with the Governor's proposed Traffic Amnesty program. As a result,

SB 405 ensures more people will be able to find and keep employment and, thus, be able to fulfill their required payments and maintain their insurance coverage. Ultimately, this will not only benefit the courts, the counties, the state, and the programs that receive funds from the payment of traffic tickets, but also enhance public safety by allowing these individuals to maintain their auto insurance.

For this reason, PIFC **supports SB 405, by Senator Robert Herzberg and urges your “aye” vote.** If you have any questions regarding PIFC’s position, please contact Michael A. Gunning at (916) 442-6646.

cc: Senator Robert Hertzberg, Author  
Mary Kennedy, Consultant, Public Safety Committee  
Eric Csizmar, Consultant, Assembly Republican Caucus  
Camille Wagner, Secretary of Legislative Affairs, Office of the Governor  
Robert Herrell, Legislative Director, California Department of Insurance