

March 28, 2008

The Honorable Carole Migden California State Senate State Capitol, Room 5144 Sacramento, California 95814

Dear Senator Migden:

This letter is to inform you that the Office of the Insurance Advisor has reviewed SB 1059 as amended February 25, 2008, and will be opposing the bill at this time.

We believe this bill is unnecessary and could needlessly increase costs for consumers as: 1) it would result in a reduction of choice for consumers, 2) would limit use for non-OEM or aftermarket parts that meet safety standards and requirements, and 3) the federal Magnuson-Moss Warranty Act of 1975 already prohibits the voiding of a warranty in the example illustrated in support of the measure.

Thank you for your time and consideration of this matter. If we can be of any assistance or if you would like to discuss our position, please contact Manolo Platin, or me at (916) 657-5022.

Sincerely,

Kathleen K. Webb, Director Office of the Insurance Advisor

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cc: Chairman Mike Machado, Senate Banking, Finance & Insurance Committee Chris Kahn, Legislative Secretary, Office of the Governor Michael Prosio, Chief Deputy Legislative Secretary, Office of the Governor Greg Hurner, Deputy Secretary, State and Consumer Services Agency Erin Ryan, Principal Consultant, Senate Banking, Finance & Insurance Tim Conaghan, Consultant, Senate Republican Caucus