



# Personal Insurance Federation of California

California's Personal Lines Trade Association

REPRESENTING THE LEADING AUTOMOBILE AND HOMEOWNERS INSURERS

State Farm • Farmers • 21st Century Insurance Group • SAFECO • Progressive

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## MEMORANDUM

**Date:** March 17, 2004

**To:** The Honorable Juan Vargas, Chair  
Members, Assembly Insurance Committee

**From:** Dan C. Dunmoyer, President  
G. Diane Colborn, Vice President of Legislative and Regulatory Affairs  
Michael A. Gunning, Senior Legislative Advocate

**Re:** AB 1985 (Wolk): Insurance Claim Forms  
Assembly Insurance Committee Hearing: March 24, 2004  
**PIFC Position: Support**

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The Personal Insurance Federation of California, representing insurers who write approximately 46% of the personal lines insurance sold in California, **supports AB 1985** by Assembly Member Lois Wolk.

AB 1985 would allow insurance companies to comply with certain record retention requirements by maintaining the records in an electronic format. Currently the law requires that certain documents, like auto theft claims forms, must be maintained in their original paper form. Companies literally spend hundreds of thousands of dollars on warehouse space and document retention. Those costs can be dramatically reduced, and the cost savings passed on to customers, with electronic retention.

Most insurers, like other companies are modernizing their operations and moving to electronic storage systems. This change will facilitate increased reliance by insurers on electronic records, which in turn will benefit consumers. The ability to electronically store documents also reduces storage costs and paper consumption. For these reasons, **PIFC supports AB 1985 and urges your yes vote on this measure.** If you have any questions, please contact Diane Colborn at (916) 442-6646.

cc: Assembly Member Wolk, Author  
Richard Costigan, Office of the Governor  
Chris Clay, Assembly Insurance Committee  
Kevin Hanley, Assembly Republican Caucus