



# 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

## STAFF

Dan Dunmoyer  
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## FLOOR ALERT

Date: April 22, 2005  
To: Members of the California State Assembly  
From: Dan C. Dunmoyer, President  
Rex Frazier, Vice President and General Counsel  
Michael A. Gunning, Senior Legislative Advocate  
Michael A. Paiva, Senior Legislative Advocate  
RE: AB 544 (Vargas): Insurance Solicitors: Appointment  
As Amended April 7, 2005  
Assembly Third Reading File  
**PIFC Position: Support**

The Personal Insurance Federation of California (PIFC), representing insurers who write over 50% of all personal lines insurance sold in California, including State Farm, Farmers, Safeco, 21<sup>st</sup> Century, Progressive and NAMIC, **supports AB 544** authored by Assembly Member Vargas.

AB 544 would eliminate the provision in current law that prohibits an insurance agent or broker from utilizing the services of a part-time solicitor (i.e. an employee of an agent who is licensed to transact property and casualty insurance). This change will allow agents to operate more efficiently, to offer better customer service, and to promote more full-time job opportunities.

- ◆ **Increased efficiencies.** AB 544 would allow agents to share staff in certain situations, which allows them to operate more efficiently and with lower overhead.
- ◆ **Better customer service.** Under existing law, a customer who visits an office shared by two State Farm agents can only be helped by his or her particular agent's solicitor. If that agent's solicitor happens to be out of the office, the customer has to wait or come back another time. This causes undue delay for customers and serves no real purpose.
- ◆ **Promote full-time job growth.** Many agents don't need a full-time solicitor. Under current law, an employee working part-time for one agent is not allowed to work part-time for another agent. This bill would increase employment opportunities for solicitors by allowing them an opportunity to work full-time by working for two different agents.

For the reasons stated above, **PIFC supports AB 544** by Assembly Member Vargas. If you have any questions, please contact Michael Paiva at (916) 442-6646.

cc: Assembly Member Vargas, Author  
Christine Ebbink, Assembly Insurance Committee  
Kevin Hanley, Assembly Republican Caucus  
Richard Costigan, Legislative Secretary, Office of the Governor  
Cynthia Bryant, Deputy Legislative Secretary, Office of the Governor  
Scott Reid, Office of the Insurance Advisor

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