



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

MEMORANDUM

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Date: April 30, 2003

To: The Honorable Ellen Corbett, Chair
Members, Assembly Judiciary Committee

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

RE: AB 903 (Steinberg): Construction Dispute Resolution
Assembly Judiciary Committee Hearing: May 6, 2003
PIFIC Position: Support

The Personal Insurance Federation of California (PIFIC), which represents insurers who provide construction dispute resolution insurance to subcontractors throughout the state of California, supports AB 903 by Assemblymember Steinberg.

AB 903 would provide a clarifying definition of the term "builder" to mean "any entity or individual who, at the time of sale, was in the business of selling residential units to the public and applies to the sale of new residential units entered into contract on or after January 1, 2003, including a developer, builder or original seller." PIFIC views AB 903 as a clarifying amendment on the definition of what a "builder" is. This amendment is within the spirit of the agreement reached in SB 800 (Burton/Wesson) of last session.

For the reasons stated above, PIFIC supports AB 903. We are committed to continue to work with all parties to further expand new reforms in this area to provide affordable insurance to subcontractors and affordable housing to California consumers. If you have any questions regarding our position, please contact Dan Dunmoyer at (916) 442-6646.

cc: Assemblymember Steinberg, Author
Ann Richardson, Office of the Governor
Kevin Baker, Assembly Judiciary Committee
Mark Redmond, Assembly Republican Caucus
Frances Fort, Office of Assemblymember Steinberg