



# 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

### STAFF

Dan Dunmoyer  
President

Diane Colborn  
Vice President of Legislative  
& Regulatory Affairs

Michael Gunning  
Senior Legislative Advocate

Jerry Davies  
Director of Communications

**Date:** May 9, 2003

**To:** Members of the California State Senate

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

**Re:** SB 515 (Kuehl): Civil Actions  
Senate Third Reading File  
**PIFC Position: Oppose**

---

The Personal Insurance Federation of California, representing insurers who sell nearly 35% of the personal lines insurance in California, including State Farm, Farmers, SAFECO, 21st Century, and Progressive Insurance, **opposes SB 515 (Kuehl)**. SB 515 would take away from businesses a tool currently available for challenging lawsuits designed to chill the exercise of free speech.

SB 515 amends the Anti-SLAPP suit statute enacted in 1992 and authored by then-Senator Bill Lockyer. The statute allows a defendant, who is the target of a lawsuit attacking their exercise of free speech, to bring a special motion for early dismissal of the suit. SB 515 would amend this law to make such motions inapplicable to any case brought against a person engaged in the business of selling or leasing goods or services. The effect of SB 515 is to eliminate the Anti-SLAPP suit motion as a tool for dismissing frivolous or malicious lawsuits which are aimed at intimidating a business from exercising its free speech right. Businesses are frequently the target of lawsuits designed to harass or coerce a business into settling for nuisance value, or to stop a legitimate business activity. There is no good public policy reason why business defendants should be excluded from utilizing the Anti-SLAPP suit statute to dismiss unmeritorious lawsuits rather than being coerced into settling or incurring unnecessary litigation costs simply for exercising their constitutional rights.

For all these reasons, **PIFC opposes SB 515 and urges a no vote**. If you have any questions, please contact Diane Colborn at (916) 442-6646.

cc: Senator Kuehl, Author  
Ann Richardson, Deputy Legislative Secretary, Governor's Office  
Senate Judiciary Committee  
Mike Petersen, Senate Republican Caucus  
Senate Floor Analyses