



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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FLOOR ALERT

Date: August 19, 2003

To: Members of the California State Assembly

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

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

The Personal Insurance Federation of California, representing insurers who sell 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, Office of the Governor
Richard Figueroa, Office of the Governor
Kevin Baker, Assembly Judiciary Committee
Mark Redmond, Assembly Republican Caucus