



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 • NAMIC

MEMORANDUM

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Michael Gunning
Senior Legislative Advocate

Michael Paiva
Senior Legislative Advocate

Jerry Davies
Director of Communications

Date: June 16, 2005

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

From: Dan C. Dunmoyer, President
Rex D. Frazier, Vice President & General Counsel
Michael A. Gunning, Senior Legislative Advocate
Michael A. Paiva, Senior Legislative Advocate

Re: SB 597 (Torlakson): Good Driver Discounts: Drunk Drivers
As Amended April 11, 2005
Assembly Insurance Committee: June 22, 2005
PIFC Position: Support

The Personal Insurance Federation of California (PIFC), representing insurers who write over 45% of all automobile insurance sold in California, including State Farm, Farmers, Safeco, 21st Century, Progressive and NAMIC, **supports SB 597** by Senator Torlakson

Last year, the Legislature approved and the Governor signed SB 1694 which provides for stricter driving standards and increased penalties if a driver has a second, third, or additional convictions for drunk driving during the past ten years. SB 597 would update the “good driver” definition in Proposition 103 relating to drunk driving to conform to these stricter standards.

When Proposition 103 passed, the Legislature predicated the definition of a “good driver” on the laws that were current at the time. This definition eliminated those who were convicted of various drunk driving felonies during the past seven years from the definition of a “good driver” and the insurance discounts associated with that term. SB 597 would update this definition to conform to the safe driving standards of today and would provide prospectively that a person is a good driver if he or she has not been convicted of any of the offenses listed above in the past ten years. This proposed change conforms with the law that was the model for the original definition of good driver.

For the reasons stated above, **PIFC supports SB 597 and urges your yes vote on this measure**. If you have any questions, please contact Michael Gunning at (916) 442-6646.

cc: Senator Torlakson, Author
Jim Anderson, Assembly Insurance Committee
Kevin Hanley, Assembly Republican Caucus
Cynthia Bryant, Deputy Legislative Secretary, Office of the Governor
Scott Reid, Office of the Insurance Advisor

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