



# 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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## MEMORANDUM

**Date:** June 15, 2004

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

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

**RE:** SB 64 (Speier): Homeowners' Insurance  
Assembly Insurance Committee Hearing: June 16, 2004  
**PIFIC Position: Support as Proposed to be Amended**

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The Personal Insurance Federation of California, representing insurers who write 50% of the homeowners' insurance policies sold in California, **supports SB 64 as it is proposed to be amended.**

SB 64 would expand the existing earthquake mediation program in the Department of Insurance to address claim disputes arising out of the Southern California fires. The mediation program can be a useful tool for resolving claim disputes without the expense and more adversarial nature of litigation. Most claims are handled to the satisfaction of policyholders and insurers without either mediation or litigation. However, in those instances where the parties cannot reach agreement, the assistance of a neutral mediator can be very helpful in reaching consensus. Successful resolution of disputes through mediation in such cases is in the best interests of both claimants and insurers.

For these reasons, **PIFIC supports SB 64.** If you have any questions regarding this position, please contact Diane Colborn at (916) 442-6646.

**cc:** Senator Speier, Author  
Christine Ebbink, Assembly Insurance Committee  
Kevin Hanley, Assembly Republican Caucus  
Cynthia Bryant, Office of the Governor  
Scott Reid, Office of the Insurance Advisor